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DURUM WHEAT

HEARING
BEFORE THE
COMMITTEE ON AGRICULTURE
HOUSE OF REPRESENTATIVES
EIGHTY-FOURTH CONGRESS
FIRST SESSION

FEBRUARY 3, 1955

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DURUM WHEAT

THURSDAY, FEBRUARY 3, 1955

HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, D. C.

The committee met, pursuant to notice, at 10:30 a. m., in room 1310, New House Office Building, Hon. Harold D. Cooley (chairman) presiding.

The CHAIRMAN. The committee will be in order.

We meet this morning for the purpose of giving further consideration to S. 145 submitted by Senator Young, dealing with durum wheat, as well as the companion bills introduced by Mr. Hope of Kansas, Mr. Krueger, Mr. Berry and Mr. Lovre.

(The bills, S. 145, H. R. 1572, H. R. 1580, H. R. 1765 and H. R. 1813, are as follows:)

[S. 145, 84th Cong., 1st sess.]

AN ACT To amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (e) of section 334 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1334 (e)), is amended, beginning with the 1955 crop of wheat, to read as follows:

"(e) Notwithstanding any other provision of this Act, the Secretary shall increase the farm marketing quotas and acreage allotments for the 1955 crop of wheat for farms located in counties in the States of Minnesota, Montana, North Dakota, and South Dakota designated by the Secretary as counties which (1) are capable of producing class II durum wheat and (2) have produced such wheat for commercial food products during one or more of the ten years 1945 through 1954: *Provided*, That the increase in the wheat acreage allotment for any farm shall not exceed the difference between the acreage of cropland on the farm suitable for the production of wheat and the wheat acreage allotment, if any, determined without regard to this subsection, and the increase in allotment shall be conditioned upon the production thereon of class II durum wheat. The increase in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and the acreage of class II durum wheat thereon shall not be considered in establishing future State, county, and farm acreage allotments."

Passed the Senate January 26, 1955.

Attest:

FELTON M. JOHNSTON,
Secretary.

[H. R. 1572, 84th Cong., 1st sess.]

A BILL To amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (e) of section 334 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1334 (e)), is amended, beginning with the 1955 crop of wheat, to read as follows:

"(e) Notwithstanding any other provision of this Act, the Secretary shall increase the farm marketing quotas and acreage allotments for the 1955 crop

of wheat for farms located in counties in the States of Minnesota, Montana, North Dakota, and South Dakota designated by the Secretary as counties capable of producing class II durum wheat and which have produced such wheat for commercial food products during one or more of the ten years 1945 through 1954: *Provided*, That the increase in the wheat acreage allotment for any farm shall not exceed the difference between the acreage of cropland on the farm suitable for the production of wheat and the wheat acreage allotment, if any, determined without regard to this subsection (e), and the increase in allotment shall be conditioned upon the production thereon of class II durum wheat. The increases in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and the acreage of class II durum wheat thereon shall not be considered in establishing future State, county, and farm acreage allotments."

[H. R. 1580, 84th Cong., 1st sess.]

A BILL To amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (e) of section 334 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1334 (e)), is amended beginning with the 1955 crop of wheat, to read as follows:

"(e) Notwithstanding any other provision of this Act, the Secretary shall increase the farm marketing quotas and acreage allotments for the 1955 crop of wheat for farms located in counties in the States of Minnesota, Montana, North Dakota, and South Dakota designated by the Secretary as counties capable of producing class II durum wheat and which have produced such wheat for commercial food products during one or more of the ten years, 1945 through 1954: *Provided*, That the increase in the wheat acreage allotment for any farm shall not exceed the difference between the acreage of cropland on the farm suitable for the production of wheat and the wheat acreage allotment, if any, determined without regard to this subsection, and the increase in allotment shall be conditioned upon the production thereon of class II durum wheat. The increase in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and the acreage of class II durum wheat thereon shall not be considered in establishing future State, county, and farm acreage allotments."

[H. R. 1765, 84th Cong., 1st sess.]

A BILL To amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (e) of section 334 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1334 (e)), is amended, beginning with the 1955 crop of wheat, to read as follows:

"(e) Notwithstanding any other provision of the Act, the Secretary shall increase the farm marketing quotas and acreage allotments for the 1955 crop of wheat for farms located in counties in the States of Minnesota, Montana, North Dakota, and South Dakota designated by the Secretary as counties capable of producing class II durum wheat and which have produced such wheat for commercial food products during one or more of the ten years 1945 through 1954: *Provided*, That the increase in the wheat acreage allotment for any farm shall not exceed the difference between the acreage of cropland on the farm suitable for the production of wheat and the wheat acreage allotment, if any, determined without regard to this subsection, and the increase in allotment shall be conditioned upon the production thereon of class II durum wheat. The increase in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and the acreage of class II durum wheat thereon shall not be considered in establishing future State, county, and farm acreage allotments."

[H. R. 1813, 84th Cong., 1st sess.]

A BILL To amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (e) of section 334 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1334 (e)), is amended, beginning with the 1955 crop of wheat, to read as follows:

"(e) Notwithstanding any other provision of this Act, the Secretary shall increase the farm marketing quotas and acreage allotments for the 1955 crop of wheat for farms located in counties in the States of Minnesota, Montana, North Dakota, and South Dakota designated by the Secretary as counties capable of producing class II durum wheat and which have produced such wheat for commercial food products during one or more of the ten years 1945 through 1954: *Provided*, That the increase in the wheat acreage allotment for any farm shall not exceed the difference between the acreage of cropland on the farm suitable for the production of wheat and the wheat acreage allotment, if any, determined without regard to this subsection, and the increase in allotment shall be conditioned upon the production thereon of class II durum wheat. The increase in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and the acreage of class II durum wheat thereon shall not be considered in establishing future State, county, and farm acreage allotments."

The CHAIRMAN. Mr. Engle, of California, I understand would like to be heard.

I would like to state before you start, Mr. Engle, that, so far as the Chair knows, there is apparently no opposition which has developed to any of these bills.

We will be glad to hear from the authors of the bills, but I hardly think it necessary for us to hear from the authors because of the fact that there is no opposition. I would like for the authors to listen very carefully to the gentleman from California; and perhaps after he makes his speech, the authors might be recognized.

We recognize you, Mr. Engle.

STATEMENT OF HON. CLAIR ENGLE, A REPRESENTATIVE IN CONGRESS FROM THE SECOND DISTRICT OF CALIFORNIA

Mr. ENGLE. Mr. Chairman and members of the committee, I would say to the authors of the bill, lest there be any concern about it, that I am not opposed to the bill. I am trying to get into it.

My purpose in appearing here, Mr. Chairman, is to ask that the bill be amended to permit the Tulalake area in California to participate in the allocations provided for under the bill.

I think most of you are familiar with the Tulalake area in California. It is that part of California immediately adjacent to the Oregon line and south of Klamath Falls in which the Federal Government has located one of its most famous reclamation projects, where veterans are drawing for homesteads periodically.

That area is farmed exclusively by veterans, mainly of the two preceding world wars.

Mr. Chairman, I want to devote myself just a few minutes to the proposition that this area is capable of producing durum wheat, and then I have an amendment to suggest with reference to this legislation which would permit the inclusion of the Tulalake area, which I would like to offer for your consideration.

The University of California Experimental Extension Service has made tests in the Tulalake area with reference to the production of

durum wheat and they have found that durum wheat can be produced in the Tulalake area without the detriment of the rust which has occurred in the other areas in the United States where durum wheat is produced and which has brought about this recommendation from the Department of Agriculture.

In order to have a complete record before the committee there are certain communications which I will offer, but which I will not read completely in order to save your time.

One is from the California Farm Bureau Federation, dated January 28, 1955.

In that letter that organization writes to me urging that the Tulalake area, on the basis of the experimentations that have been made, be permitted to participate in this production.

I will read just a section of it. This letter was written by Mr. Richard W. Owens, the secretary-treasurer, in which he says, and I quote:

I understand that you have been informed as to the facts regarding the situation, such as the lack of production in the United States due to disease conditions, and the disease conditions in the Dakotas where this wheat has been raised in the past. Also, that the tests which have been made on durum wheat, in Tulalake have shown a protein content between 12.5 to 14.5 percent, and that we have on record a letter from Golden Grain Macaroni Co., in California, who would very much like to purchase the products.

Also, I have a letter from the Golden Grain Macaroni Co., dated January 25, 1955. That company is located at San Leandro, Calif., which reads as follows, the letter being written to Mr. Baghott, the farm adviser in cooperative extension work in agriculture and home economics at Tulalake, Calif.

He says: -

On January 13 we sent you the milling report on three test samples of Tulalake durum, which were tested by General Mills.

We feel that Tulalake durum will make an excellent product for the manufacture of noodles and other macaroni products.

General Mills have advised me that they can mill durum into a durum patent flour at their Vallejo mill. They can also mill a granular product at their Tacoma and Spokane mills.

We understand that you are trying to obtain an allotment of 3,000 acres from the Department of Agriculture for durum acreage in California. We are willing to contract for the entire output of the 3,000 acres, as we know it will make a better product than the raw material we are now using. We feel you should ask for an even larger allotment because we will have to keep some for seed for the next year.

That was signed by the Golden Grain Macaroni Co., V. DeDomenico, secretary-treasurer.

Mr. Chairman, without burdening your committee further with it, I will provide for the record the reports on the tests which were made which prove that durum wheat cannot only be produced in this area, but can be produced in a quality satisfactory to these macaroni manufacturers who use it, and, of course, we want to get hold of it because of the short supply.

(The letters referred to above are as follows:)

CALIFORNIA FARM BUREAU FEDERATION,
Berkeley 4, Calif., January 28, 1955.

Congressman CLAIR ENGLE,

United States House of Representatives,

Washington, D. C.

DEAR CONGRESSMAN ENGLE: The problem regarding the production of durum wheat in the Tulalake Basin in northern California has been brought to our attention through Farm Bureau channels, and it would appear that this area should

be allowed to plant durum wheat without penalty for overplanting their wheat acreage allotment.

I understand Senate bill 145 has passed the Senate, allowing additional acreage for durum wheat in South Dakota, North Dakota, Minnesota, and Montana. We would appreciate it very much if you would speak to the rest of the California delegation in the House of Representatives regarding this matter, and attach a rider to the bill when it appears in the House, that would allow for the planting of durum wheat without penalty in the Tulalake area.

I understand you have been informed as to the facts regarding the situation, such as the lack of production in the United States due to disease conditions, and the disease conditions in the Dakotas where this wheat has been raised in the past. Also, that the tests which have been made on durum wheat in Tulalake have shown a protein content between $12\frac{1}{2}$ – $14\frac{1}{2}$ percent, and that we have on record a letter from Golden Grain Macaroni Co. in California, who would very much like to purchase the products.

Any further information that you would like, we would be very glad to furnish, if the Tulalake growers have not already done so.

Sincerely yours,

RICHARD W. OWENS,
Secretary-Treasurer.

GOLDEN GRAIN MACARONI CO.,
San Leandro, Calif., January 25, 1955.

Mr. K. G. BAGHOTT,

*Farm Adviser, Cooperative Extension Work in
Agriculture and Home Economics, Tulalake, Calif.*

DEAR MR. BAGHOTT: On January 13 we sent you the milling report on three test samples of Tulalake durum, which were tested by General Mills.

We feel that Tulalake durum will make an excellent product for the manufacture of noodles and other macaroni products.

General Mills have advised me that they can mill durum into a durum patent flour at their Vallejo mill. They can also mill a granular product at their Takoma and Spokane Mills.

We understand that you are trying to obtain an allotment of 3,000 acres from the Department of Agriculture for durum acreage in California. We are willing to contract for the entire output of the 3,000 acres, as we know it will make a better product than the raw material we are now using. We feel you should ask for an even larger allotment because we will have to keep some for seed for the next year.

Sincerely yours,

V. DeDOMENICO, *Secretary-Treasurer.*

NORTH DAKOTA MILL & ELEVATOR,
Grand Forks, N. Dak., December 23, 1954.

Mr. K. G. BAGHOTT,

Farm Adviser, Tulalake, Calif.

DEAR MR. BAGHOTT: We received the five samples of durum wheat and have milled them on our experimental mill. I am asking our laboratory to send you the samples of semolina. I am listing here in order as to their color.

	<i>Percent protein</i>
1. Semolina made from Sentry durum wheat.....	14.50
2. Semolina made from Venum durum wheat.....	12.50
3. Semolina made from Stewart durum wheat.....	13.20
4. Semolina made from Mindum durum wheat.....	13.50
5. Semolina made from Kubanka durum wheat.....	13.30
Semolina made from North Dakota 1954 durum wheat crop—test weight 57–58 pounds.....	11.00

We had a very poor durum wheat crop in North Dakota this year. However, the color is fairly good, but not nearly as good as other years.

If you will take 3 or 4 tablespoons of each of these semolinas and lay them out on a desk about 1 inch or so apart and then lay ours along side and then take a piece of metal or board and smooth out the semolina, you can tell what the color

looks like from the various kinds of wheat. If we were buying wheat for grinding and had a chance to get 1, 2, or 3 we naturally wouldn't buy much of 4 or 5. On the other hand, if better wheat were available we naturally would buy the better. But there certainly is not too much wrong with the Sentry, Venum, and Stewart. No one can say what the color of semolina would be from that wheat after it is grown out there if the season happened to be different or if the grain were planted in areas that might affect color. But as indicated, I can't see too much wrong in the first three listed. When you receive these and have had a chance to lay them out, let me know what you think.

Yours very truly,

R. M. STANGLER, *General Manager.*

DECEMBER 31, 1954.

L. Reimers, San Francisco

E. V. Hetherington, Minneapolis

We have just completed our testing on the three samples of durum wheat you sent on to Minneapolis which you indicate are Kubanka, Mindum and Venum, grown in the Tulalake region of northern California. In viewing these samples we noted that the Venum wheat sample was bright, was of good test weight and contained no frost damage. The Mindum sample had a duller wheat appearance, was of good test weight and appeared to contain approximately 25 percent frost damage. The Kubanka sample had a dull wheat appearance, was of good test weight and we estimate contained approximately 50 percent frost damage.

All of these wheats milled out well in the experimental mill and had a semolina extraction of approximately 54 percent to 56 percent which is good or normal for wheat of this test weight. The dough slab color scores of these wheats ranged from 94 dull red to 97 definitely light bright. While these color scores look rather good at the present time in comparison to products we are producing, which include large portions of bread wheat, they are not particularly good when we consider past experience with 100 percent durum products. Basis durum color scores we would consider the Kubanka at 94 as being a fair to poor color score, the Mindum at 95 as a fair minus color score and the Venum at 97 as a fair color score. For your information samples we have just recently tested for the Northwest Crop Improvement Association of 100 percent durum products have scored from 103 to 108. On the other hand, bread wheat products such as our Amberoni Farina and Amberoni Special produced from Montana Winter wheat scored 84 and 82 respectively. Therefore, when comparing the durum samples you sent in with bread wheat there is a very definite color advantage for the durum samples over the bread wheat.

I am listing in the table below the data our durum laboratory has developed in testing the three samples of durum you sent in.

	Wheat protein	Wheat mois- ture	Test wheat	Semo- lina extract	Semo- lina protein	Semo- lina moisture	Dust color	Slab color	Milling quality
Kubanka.....	13.20	11.0	61.8	56.0	11.4	14.6	93 DR....	91 DR....	VG clean.
Mindum.....	13.35	10.8	6.1	56.0	11.3	14.4	95 DG....	45 DG....	VG clean.
Venum.....	12.35	10.7	64.5	54.4	10.45	14.1	97 DLB...	97 DLB...	VG clean.

Data on durum wheat produced in Tulalake 1954—Conducted by K. G. Baghott, farm advisor:

The following data was taken from durum wheat variety trials conducted in 1954. Farmers will be interested in the results of these tests for they indicate durum wheat can be satisfactorily grown in the Tulalake basin.

Variety	Total yield per acre	Wheat protein
	<i>Pounds</i>	<i>Percent</i>
Vernum.....	3,143	12.50
Mindum.....	4,030	13.50
Sentry.....	3,326	14.50
Stewart.....	3,426	13.20
Kubanka.....	2,496	13.30

NOTE.—Protein values are very satisfactory for semolina production.

GOLDEN GRAIN MACARONI Co.,
San Leandro, Calif., January 13, 1955.

Mr. K. G. BAGHOTT,
Farm Adviser, Cooperative Extension Work,
Tulalake, Calif.

DEAR MR. BAGHOTT: Enclosed you will find the milling report on the durum samples which you sent us.

General Mills has given us a list of seed growers in North Dakota who can be contacted when you are ready to order seed.

We are very much interested in purchasing a durum product milled from California-grown durum wheat. General Mills will be able to mill it for us satisfactorily.

Please advise us what we can do to encourage the growers to plant durum in the Tulalake area.

Sincerely yours,

V. DeDOMENICO,
Secretary-Treasurer.

Mr. ENGLE. With that in the record, I want also, Mr. Chairman, to put in a further communication from the California Farm Bureau Federation, in which they ask favorable consideration of this legislation.

(The letter, dated January 22, 1955, is as follows:)

CALIFORNIA FARM BUREAU FEDERATION,
Gerber, Calif., January 22, 1955.

Hon. CLAIR ENGLE,
Congressional Office Building,
Washington, D. C.

DEAR MR. ENGLE: I have been asked by a number of farm bureau members in the Tulalake area of Siskiyou and Modoc Counties to contact you in regard to the possibility of an allotment of wheat acreage to that area for the production of durum wheat.

In talking with our field crops chairman, Atwood McKeehan, he indicated that in his opinion such an allotment would be well within the policy of the California Farm Bureau Federation and the American Farm Bureau Federation. I also understand that the ASC committee chairman, Glen Harris, has recommended that this allotment be granted.

You probably realize the situation of the farmers in that area. Experiments have shown that durum wheat can be successfully grown there, and they have a firm commitment from the macaroni manufacturers that they will provide a market for the production from up to 10,000 acres. I feel that this would be a solution to the overproduction especially of brewing barley which they normally produce and the other two field crops which provide 90 percent of the farm income in that area.

Due to the time element, it is necessary that legislation must be expedited. The seed is scarce and must be procured almost immediately, and the planting must be done prior to the middle of April.

If the assistance of our organization can be of any help to you at any time, do not hesitate to call upon us.

Sincerely yours,

DALE E. BORROR,
Director Region 7.

Mr. ENGLE. Then with that in the record, Mr. Chairman, I would like to present the amendment which I have drafted only for the purposes of consideration and as a starting place, because the committee, of course, might want to do the job somewhat differently.

The amendment reads as follows, and I will pass copies up to the clerk.

On page 1, lines 10 and 11, strike the words "in the States of Minnesota, Montana, North Dakota, and South Dakota."

And on page 2, line 3, strike the word "and" and insert the word "or".

The effect of that would be to take out the designation of States. The reason I suggest that is because there are geographical limitations, evidently, upon the production of this durum wheat which confined it to particular areas, and the only areas that I know of in the United States, at least from what I have been able to find out since I got into this problem, are those four States, plus this area in northern California.

So it would seem that the geographical factors, or whatever there are that limit the production of durum wheat would be sufficient to confine it, provided that the Secretary could indicate that the counties in which allotments would be made. And the amendment I propose would make the sentence read, "The Secretary shall increase the marketing quotas", and so forth, "located in counties which are, (1) capable of producing class II durum wheat or which have produced such wheat for commercial food products."

With reference to the first part of the amendment, if the committee would prefer to put in the Tulalake area or to mention northern California, it would certainly be satisfactory with us.

The second portion of that amendment strikes the word "and" and substitutes the word "or."

At the present time there are two limitations in this bill. The production has to be in counties in these 4 States, and it has to be in areas which have produced such wheat for commercial food products during 1 or more of the 10 years, 1945 to 1954.

What we propose is that either one of those qualifications be sufficient, that is, that if produced in those 4 States, that that be adequate, or if they are capable of producing class II durum wheat, or have produced such wheat commercially for 1 out of the 10 years.

If you will notice in the letter of the Secretary of Agriculture, which appears on page 2 of the report of the Senate, report No. 9 on this bill, the Secretary calls attention to the fact that the preceding requirement was that durum wheat be produced in 1 out of every 3 years.

Well, they have withdrawn that because they regard it as too restrictive. Now they say 1 out of 10 years.

We have no history of commercial production of durum wheat in the Tulalake area. As a consequence, this second proviso starting on line 3 of page 2 would bar the Tulalake area unless the word "and" is changed to "or."

So that it is in the alternative. And the northern California area is permitted under the personal qualification, that is, capable of producing class II durum wheat.

I call your attention also to one other thing, that is, that these limitations upon the areas of production would seem to be unnecessary be-

cause of the last major paragraph on page 2 of the Secretary's letter in which he says that, and I am quoting:

Although considerable increase in the acreage seeded to durum wheat could be expected if the proposed bill is enacted it is not likely that the production of durum wheat will reach normal levels until adequate supplies of rust-resistant varieties of durum wheat seed are available. Four such varieties of durum wheat, class II have been developed and further experimentation is being conducted by the North Dakota Agricultural College and Experiment Station. This station is also conducting a seed reproduction for such varieties. It is not expected, however, that ample seed of these varieties will become available before 1957.

And then the first sentence in the next paragraph:

The proposed bill would apply to the 1955 crop only. Although the problem may continue for 2 to 3 years, it is felt that the situation should be reexamined before continuing this type of legislation beyond 1955.

And so what I am saying, Mr. Chairman, is that the restrictions in the bill are unnecessary. All areas that could produce durum wheat presumably could be let in, because there simply is not enough areas in this country now producing enough durum wheat and will not be until these new seeds are available, which will be in 1957. And this bill is only for 1955.

Mr. BELCHER. Will you yield?

Mr. ENGLE. I will be delighted to.

Mr. BELCHER. My understanding is that the only excuse for the bill at all is that we do not have as much durum wheat as is actually needed in this country. If that is true, then why should not any area have the privilege of producing that wheat, and for it not to be based necessarily on the history? We are taking off all of the restrictions on it, and we are taking that off only for the reason that we need more durum wheat.

It does not seem reasonable if we need more durum wheat that we ought to confine it to certain areas. If we do not need the durum wheat, then that wheat should be under the same restrictions as any other kind of wheat. That is the way it appears to me.

I agree with the gentleman.

Mr. ENGLE. The gentleman has stated the point clearer than I did. That is exactly what I am saying.

The CHAIRMAN. If you can grow durum wheat in the area to which you refer, why have you not been growing it?

Mr. ENGLE. Because they were growing something else.

The CHAIRMAN. That is right. Now, the first time that it becomes necessary they impose quotas on the wheat-producing country, California moves in and says, "We want to start into the business of growing durum wheat," if I understand the gentleman's position.

You did not say anything about it last year or the year before. You could grow all you wanted to grow.

Now, when it becomes necessary to restrict the acreage of the wheat-growing area, California wants to come in.

I was wondering, if you think you can grow it, why have you not grown it? Is it because it has not been profitable for you to grow it?

Mr. ENGLE. They have been growing something else. Up in the Tulalake area they were growing barley and potatoes primarily, but barley fell on its face.

The CHAIRMAN. Suppose we throw this open, the farmers in North Carolina and Georgia will all say, "We want to grow durum wheat. Especially now that it is selling at a premium, now that the millers want it."

Everybody starts in and asks for durum wheat quotas.

I would not know durum wheat, whether it was grown on one side of the road or the other. I doubt if you could tell me which was which.

If a man went over his quota, he could say, "That is durum wheat—that is not."

I see a whole lot of trouble that might be involved in it.

Mr. ENGLE. Does the gentleman think that you get into trouble by adding the Tululake area to these four States? That is one area in which it can be produced.

The CHAIRMAN. I do not mean to be that technical about it.

Suppose I go home and plant my acreage in wheat. The man comes out and checks me and says, "You are over."

I say, "That 5 acres over the road is durum wheat."

How is he going to tell whether or not it is durum wheat?

Mr. ENGLE. Maybe the gentleman can improve the amendment that I spoke of, and instead of striking out the States, add northern California, and then you retain some sort of limitation, if that is what the gentleman wants to do.

I merely offered this amendment so that the committee would have something to start from.

The CHAIRMAN. You bring in California. Suppose somebody brings in Oklahoma and Tennessee. The first thing you know we will be encouraging everybody to go into the production of durum wheat.

I recognize the gentleman from Kansas.

Mr. HOPE. Mr. Engle, I am a little disturbed about your amendment from this standpoint. We are in a situation now where the wheat producers of this country have been confronted with acreage allotments and marketing quotas. The acreage has been reduced from an average between 75 and 80 million acres of wheat down to 55 million acres.

Naturally, the producers of wheat in all parts of the country are concerned about anything that occurs in the way of legislation which would permit any area to plant wheat which had not been growing wheat previously.

This legislation, as I understand it, was drafted on the theory that it would not bring any new areas into production, but that it would be confined to the areas that have been producing durum wheat during the past 10 years. And the allotments which would be made here are, of course, in addition to the regular allotments that are made to the wheat producers under the Agricultural Adjustment Act of 1938, as amended.

It seems to me that if we open this thing up and eliminate the geographical restrictions that are contained in the bill, that some of us in the wheat-growing areas are going to feel some apprehension that it weakens the controls in the present act at a time when it appears that perhaps for some years ahead, if we follow this present program, we will have to have acreage allotments and marketing quotas on wheat.

As I understand it, you have not been growing durum wheat in

California. If it were needed, and if we had no other place to get durum wheat, then I of course would feel differently about it, but we do have these areas in which durum wheat has been successfully grown over a long period of years. It is true that the ravages of disease, particularly rust, has interfered with the production in the last few years, and has created this situation.

I would personally feel very much concerned about opening it up as you have suggested. I think that the producers in every wheat-growing area would feel that way about it, because after this year, if we produce the durum wheat that this bill proposes, then we will probably be going back to the regular allotments, but if new areas have come into production, and new acres have been planted and new bases have been secured, then it does mean that other areas now producing will have to be curtailed in this production of wheat generally.

It is the principle of the thing as much as anything else that disturbs me. I think it disturbs those from other wheat-producing areas, too.

Mr. ENGLE. I think the gentleman has a good point, except that there is not any other place to get this wheat from now. It would not be for 1955 up to 1957.

I say, Why not let these fellows go ahead?

Mr. HOPE. Except for these four States, of course, areas that have been proven durum wheat-producing areas.

Mr. ENGLE. If they do not come forward with a good seed, these people who make macaroni are going to be stuck in perpetuity or, at least, until they sold it.

They think they are going to solve that rust condition in those four States, but if they do not, there is not any area. I am saying that there is not any other place for them to get it.

If the Tululake area is permitted to come in and produce durum wheat, this whole problem, according to the Secretary's letter, will be reexamined next year.

This bill is only a 1-year proposition.

Wheat of any kind is, of course, an annual crop. If you see fit next time not to continue it, that will be that, or, perhaps, you can let it go to 1956 or 1957, until these new varieties come in.

If this legislation is continued on a year-to-year basis, I cannot see how we are going to get into a position where the Department of Agriculture will be further embarrassed by the difficulties which it now faces, and with which we are all more or less familiar, in the wheat-field.

We only ask to get in for 1955.

Mr. LOVRE. Will you yield?

Mr. HOPE. I would like to follow through with 1 or 2 more questions, and then I will yield.

I want to be sure that we have the facts straight.

As I understand it, you have not produced durum wheat commercially in this area heretofore?

Mr. ENGLE. That is true.

Mr. HOPE. And the only basis upon which you feel that you can produce it is that there have been some experimental plots planted and some experimental work done?

Mr. ENGLE. In addition to that, the durum wheat has been submitted to the manufacturers. They have tested it. They have agreed to take all that can be produced there.

Mr. HOPE. Over how long a period have these experiments been conducted?

Mr. ENGLE. I cannot tell you. I do not have the information here on that, but, apparently, sufficiently long to convince the farmers, the Farm Bureau, the Extension Service, and the consumers of this particular type of wheat that it cannot only be produced, but produced in a quality which they are willing to commit themselves in writing to buy the entire production of that particular area.

So it seems to me that the record is indisputable on that point.

As to letting this in for 1 year, when the macaroni manufacturers are begging for this material, it does not seem to me that it can hurt anything, and maybe next year you can reconsider it, and if you determine to reexamine the thing each year, that is what the Secretary asks, nobody can get hurt. You can cut it off in 1956; you can cut it off in 1957.

Mr. HOPE. There is a lot that I do not know about durum wheat, but it is my understanding that it requires special milling equipment to mill it. I would take it that you do not have any facilities in California, that is, milling facilities that are suitable for milling durum wheat. It probably would have to be sent back to the areas in which durum wheat has been milled in the past, would it not?

Mr. ENGLE. No; they say that they do have the facilities. I read the letter, the letter from the Golden Grain Macaroni Co. which says that the General Mills have advised them that they can mill durum into a durum patent flour at their Vallejo, Calif., mill. They can also mill a granular product at their Tacoma and Spokane mills.

Mr. HOPE. Is the type of durum you have been growing out there the type II durum which is covered by this bill?

Mr. ENGLE. Yes, indeed, it is.

Mr. HOPE. It is the type II?

Mr. ENGLE. Yes.

Mr. HOPE. I will yield to the gentleman from South Dakota.

Mr. LOVRE. Do you have ample durum seed in your territory?

Mr. ENGLE. I am glad that you asked that, because I forgot to mention that.

These fellows have already gone out and gotten the seed.

The Department of Agriculture, when I took this up with them, raised the proposition that they did not want another area competing for seed.

Well, these foresighted people out there in the Tulalake area had already gone out and grabbed some seed.

Mr. LOVRE. Where did they buy the seed?

Mr. ENGLE. I cannot tell you, but they got it. I assume it was within recent months.

Mr. LOVRE. You do not know when they got this particular kind of seed?

Mr. ENGLE. They have not planted yet, I guess.

Mr. LOVRE. You do not know when they did buy it?

Mr. ENGLE. I cannot answer that, but I have been told that they have it.

Mr. LOVRE. Are you reasonably certain that this particular territory is climatically adaptable to the growing of No. II durum wheat?

Mr. ENGLE. That is what the University of California has said, from their experiments, and that is what the macaroni people themselves say from running tests on the seed.

Mr. LOVRE. I believe you said that you do not know when these experiments were made?

Mr. ENGLE. No. I cannot say precisely, because I do not have the records of the experiments. Nevertheless, they were. They were run over a sufficient time to convince these experts that they had these results. And that they can produce it.

There is one thing certain about it. If they cannot produce it and if it is not the quality that the mills want, it will not hurt anybody because it will be turned down.

Mr. LOVRE. It seems rather peculiar to me, if this particular territory was adapted to the growing of durum wheat, why did you come in at this particular time. That is beyond me. I do not quite understand it.

Mr. ENGLE. Because they have been growing barley up there. I understand they had some very unhappy experiences with barley in the last couple of years.

Some of this area that has been in barley they now want to put into durum wheat.

The Tulalake area is a lake bed which has been drained. It is one of the richest areas in the world—really fabulous in its agricultural productivity. They grow primarily potatoes, which we contend are as good as the Idaho potatoes. And then they grow wheat and grains of various sorts.

In the past years they have very largely grown barley.

My correspondence and my conversations with these people over the telephone indicate that they have had some bad luck with their barley business. As a consequence they see an opportunity to supply these people in the macaroni industry with durum wheat which is definitely needed. So they ask to get in to this bill.

The CHAIRMAN. How many acres are they asking for?

Mr. ENGLE. They are going to ask for 3,000 acres. They say:

We understand that you are trying to obtain an allotment of 3,000 acres from the Department of Agriculture for durum acreage in California. We are willing to contract for the entire output of 3,000 acres.

That is this macaroni company speaking.

We know it will make a better product than the raw material we are now using.

The CHAIRMAN. Do you mean that the macaroni company will put in the 3,000 acres?

Mr. ENGLE. No, they are willing to contract to buy the durum wheat.

The CHAIRMAN. How many producers will be involved in the production of the 3,000 acres?

Mr. ENGLE. I would have to look that up, but those fellows up there operate under the reclamation law. Most of those homesteads are about 40 acres—between 40 and 80 acres.

The CHAIRMAN. Suppose you put in 3 000 acres and harvest-time comes around, and you find that you have a surplus of durum wheat. We then have another problem on our hands.

Mr. ENGLE. That will depend on what the Department of Agriculture wants to allow them to do.

This macaroni company says:

We feel you should ask for even a larger allotment, because we will have to keep some for seed for the next year.

The macaroni company thinks this is not enough.

The CHAIRMAN. Why has this situation just developed in the last 60 or 90 days? We have been talking about durum wheat in this committee for a couple of years.

I was out in that section of the country last fall. They were very vitally interested in this bill that we have here now.

When we come to the showdown, to report the bill, you come up here and say that from your experimentations you find that California can grow it and you want 3,000 acres.

It seems to me that we could rock along for another year, at least, to see what the durum-wheat area can do. If they can produce the necessary amount of durum wheat, we should not encourage new areas to go into production.

Mr. ENGLE. Why starve the macaroni people? The Department of Agriculture says that there is not going to be enough in any case. This bill will only last for 1 year. Nobody can be hurt.

The CHAIRMAN. We are not starving the macaroni people. Where have they been getting the wheat from to make the macaroni?

Mr. ENGLE. They have been getting it from these areas, unless they import some of it.

The CHAIRMAN. These areas have not produced the required quantity. The reason is that they have been restricted this year by the acreage allotments. This is to relieve the pressure on the quotas in Montana and the places where they grow the wheat, so that they can produce the amount of wheat the macaroni people want.

Mr. ENGLE. Here is what the Secretary of Agriculture says about it, if I may read it: He is talking about this four-State area and why they have not come up to snuff on this production, to meet the need. I am reading from page 2, the last sentence in the fourth paragraph:

Producers feel that the growing of durum wheat against the hazard of stem rust "race 15b" is too great to expect them to gamble on seeding a substantial part of their farm-wheat acreage allotments to such class of wheat.

What the Secretary says is that the threat of this rust has run them out of business, and that they do not want to face that peril in seeding larger portions of their acreage to this durum wheat because of that threat, whereas that threat does not exist in the Tulalake area.

To answer your question, Mr. Chairman, you say, well, they can rock along for another year, but on the other hand, you can put it on the other foot and say that you can let them in for a year and it cannot possibly hurt anybody.

The CHAIRMAN. When you get in, you are in the business, and I can see the possibilities that within a couple of years you will have a surplus of durum wheat. Then we have to change the whole situation and use quotas to make the allotments on durum wheat.

The Secretary believes that if we will give him the authority to increase the acreage in the traditionally durum-wheat areas, that he will increase the production of durum wheat.

Mr. ENGLE. He is not going to increase it.

The CHAIRMAN. This is a peculiar time for California to come in to the wheat business when we have wheat running out of our ears.

Mr. ENGLE. We are not trying to shove anybody out of the wheat business. We are trying to fill a gap that has been created by rust in this particular brand of wheat, which is used in the macaroni industry

and for which there will be a continuing need and a continuing shortage until at least 1957. We ask for the privilege of coming in to help to supply that shortage. After the shortage is supplied, if this committee or the Department of Agriculture tells our people to get out of the durum-wheat business because these four States have a longer history than we do, why, we just figure that the last fellow on the ladder has to drop off first, and we will necessarily drop off, because of the seniority, so to speak, of this four-State area in the production of durum wheat would naturally preempt the area and we would go out, but we cannot see any reason why we should not get in for the next couple of years.

The CHAIRMAN. Why had you not already gotten into it? I have just checked it. I think I received one letter about the proposition, which is from Omaha, Nebr., from a manufacturer out there. I do not believe we have had a letter from any farmer or any experimental station or anyone else asking that you be permitted to grow durum wheat.

I can see danger even in the bill that Senator Young has presented, but at least it restricts the area to the areas where durum wheat has been traditionally grown.

Mr. ENGLE. You gentlemen can restrict the Tulalake area to a temporary basis.

Mr. HAGEN. I would like to point out, Mr. Chairman, that this report says that the demand is 35 million bushels a year, and last year only 5.5 million bushels were produced; that the macaroni manufacturers apparently had been putting out an inferior product, and they have sought the right to import from abroad.

Also this bill provides that these acreages are not in any future acreage allotments. In other words, this is a one-shot deal. It does not affect the future acreage allotments at all.

As I understand it, this Tulalake area during the war was Government land that was used as a relocation center for Japanese evacuees. Then the Government threw it open to homesteads, with veterans' preference. All of these are small farms occupied by veterans. There are not any land speculators or anything of that kind in it.

They were not able to grow durum wheat before because the variety suitable to be grown there had not been developed, but they now have the variety.

The CHAIRMAN. Is it not rather strange that no producers have come before the committee or communicated with the committee with reference to it?

The only people who are asking for this are the manufacturers of macaroni.

The candy manufacturers have come in and asked that people be allowed to grow all of the peanuts that they wanted.

Mr. HAGEN. They have communicated with Mr. Engle.

The CHAIRMAN. Only with the last few weeks.

Mr. ENGLE. They talked to their Congressman who represents them. My file is just stuffed with letters from hard-handed farmers who want to grow some durum wheat.

Mr. HOPE. I would like to suggest that maybe some of the questions I have asked have indicated that I am opposed to this proposal of Mr. Engle's. I do not know whether I am or not. I am just thinking about it.

I would like to hear what the representatives from the Department who are here have to say about this matter, because this bill was drafted in the Department after long study by people in the Department who are thoroughly familiar with this picture. It would be a help to me and I am sure to others if we could hear from them at this time, to see why they drafted the legislation in this form, and what they think might be the effect of extending the legislation to those areas suggested by Mr. Engle.

Mr. HILL. I would like to ask a couple of questions of Mr. Engle, if I may.

The CHAIRMAN. Go ahead.

Mr. HILL. No. 1, how long has this valley been in cultivation—how long have you really been producing crops out there?

Mr. ENGLE. At least 50 years.

Mr. HILL. And how long have you been producing wheat or barley?

Mr. ENGLE. I would say from the time it was first opened. That was a natural crop for that area.

Mr. HILL. I am familiar with that part of California. Mr. Hoeven and I both went through there and stayed all night in one of those little towns close by. We were both impressed by the community.

The question that I now want to ask is this: Why did this committee uphold the idea of restricting these little irrigated sections? It is not large at all. Why should we uphold the restriction of the specialty crops that these little irrigated valleys can produce, where our veterans have bought the land with the expectation of making a living on them, and become a party to restricting it by an absolute amendment to keep these boys from growing crops now.

Can you answer that question?

Mr. ENGLE. I hope that the committee will not do it. I hope the committee will very generously amend the bill and let these veterans in.

The CHAIRMAN. Let the veterans in? Now you are bringing in the veterans. How did they get into it?

Mr. ENGLE. This is a veterans' area. This is the famous Tulalake veterans' homestead area.

Mr. HILL. It certainly is.

The CHAIRMAN. They have not been growing crops out there for 50 years. When they propose quotas they come in under the name of the veterans, and we are going to give them 3,000 acres of durum wheat land.

Mr. ENGLE. The gentleman asked me when that area was first cultivated. I am sure that it was under some cultivation at least at the turn of the century, but the Tulalake homestead area was set up some time around the First World War period. The first group of veterans who settled out there on homesteads were veterans of the First World War.

Now we have had a second go-round on it after the Second World War.

All of that reclaimed area which is the richest area and which is under extensive cultivation is exclusively farmed by veterans. That is why we mentioned these veterans, because that is what it is. It is an area exclusively farmed by veterans, under the Veterans Homestead Act.

The CHAIRMAN. Do you not think it is rather strange, though, that if veterans are so particularly interested in it that this committee has not received any communications from any veteran out there?

Mr. ENGLE. They expected me to present their case for them, and I am here doing that.

The CHAIRMAN. Will you please stand aside for a moment, and let us hear from Mr. Talbott? You do not mind letting Mr. Talbott, following Mr. Hope's suggestion, give us the reasons why the Department restricted the legislation that is before us now?

Mr. ENGLE. Thank you very much for the time you have given me. I appreciate it.

The CHAIRMAN. Will you please step forward, Mr. Talbot?

STATEMENT OF PHILIP TALBOTT, MARKETING SPECIALIST, GRAIN DIVISION, COMMODITY STABILIZATION SERVICE, UNITED STATES DEPARTMENT OF AGRICULTURE

Mr. TALBOTT. Mr. Chairman and members of the committee, in our study of this problem we reviewed the history of the durum wheat-producing States. California has never produced class II durum wheat from which semolina for the production of macaroni has been made. We have seen samples of the wheat produced in the area under discussion. The samples look good. However, that is not enough.

I have copies of the communications that the Congressman has introduced here this morning and in no case do they indicate that production of macaroni was undertaken from the samples of wheat produced, that is, these experimental plots.

What I am saying is this, the mere fact that you seed amber durum wheat class II does not mean that you have any assurance whatsoever that you are going to harvest such wheat.

We know of only four areas in the United States where there is some definite assurance that you will reap what you sow. One may seed amber No. II durum wheat, but even there in the areas of North and South Dakota, Montana, and the northwestern tier of counties of Minnesota, we find that one does not always have the good luck to harvest good quality durum wheat class II from which macaroni is made.

The farmers in the Tulalake area may today—they could have last year—they could have the year before—seeded durum wheat to their regular acreage allotment if they so desired. They can do that today.

We do not believe that we are justified in extending the risk into the areas outside of those which we have named in the act. The seed is too scarce. The risk is too great that we will not get back the type of durum wheat that is suitable for the manufacture of semolina and macaroni.

Mr. ANFUSO. Who takes the risk?

Mr. TALBOTT. The farmer takes the risk.

Mr. ANFUSO. In this case, then, the farmers of California would take the risk?

Mr. TALBOTT. In this case the farmers of California would take the risk, with this exception: If they do not produce durum wheat class II acceptable for the production of semolina—which is not good for bread-making purposes; it has no other food use—it finds its way into storage of the Commodity Credit Corporation. It adds to our surplus, rather than being able to reduce it.

Mr. ANFUSO. Has the Department ever tested this particular area to see whether or not this wheat has the proper semolina characteristic?

Mr. TALBOTT. No, sir. I do not know of any manufacturer that has made their macaroni from it. They have milled the durum wheat in small quantities into semolina. I must say that the samples I have seen are as good or better, in some cases, than what they are using today.

The CHAIRMAN. Mr. Talbott, they could have planted durum wheat there in the year 1954?

Mr. TALBOTT. Yes.

The CHAIRMAN. On the average they have?

Mr. TALBOTT. Yes.

The CHAIRMAN. They did not do it?

Mr. TALBOTT. No, sir. We have no history.

The CHAIRMAN. Are there any other questions?

Mr. HAGEN. What is your title, sir?

Mr. TALBOTT. Marketing specialist.

Mr. HAGEN. With the Department?

Mr. TALBOTT. With the Department of Agriculture, Grain Division.

Mr. HAGEN. What does the term No. II durum wheat mean—I mean, there are different varieties—there are other varieties, are there not? There are different breeds of durum?

Mr. TALBOTT. There are different varieties of durum.

Mr. HAGEN. They all fall within the class II durum wheat?

Mr. TALBOTT. No, sir.

Mr. HAGEN. A lot of them—there are a lot of them, more than one?

Mr. TALBOTT. Yes.

Mr. HAGEN. This, as I understand, is a new variety of seed which was produced out in California, which has been found adaptable to reproduction in California?

Mr. TALBOTT. Not to my knowledge.

Mr. HAGEN. You mean that they get their seed from other places?

Mr. TALBOTT. They got their seed from some other area. The two varieties that they are experimenting with, so I am informed, are known as SENTRY and VERNUM, both of which have been produced for a long time in the Triangle area, which is in North Dakota.

Mr. HAGEN. The university has grown plots of those two varieties, and have found that they will grow very well in those areas, right?

Mr. TALBOTT. Yes, sir.

Mr. HAGEN. Well, those varieties grown elsewhere are totally acceptable for macaroni, are they not?

Mr. TALBOTT. Will you restate that question?

Mr. HAGEN. Those varieties grown in other States, the same varieties, are totally acceptable for macaroni?

Mr. TALBOTT. Not necessarily; no, sir. You can grow most any variety in Texas or Oklahoma or Tennessee or some other State—in most any State of the Union—but that does not mean the harvested wheat would be acceptable for the production of macaroni products. In no sense of the word do you have assurance that Mother Nature is going to give you back the quality or subclass of seed that you planted.

Mr. HAGEN. As a matter of fact, you have no assurance in these four States?

Mr. TALBOTT. That is quite true, sir.

Mr. HAGEN. You have a probability.

Mr. TALBOTT. We have a great probability. However, they do have histories behind them in these four States; a long successful period of history.

Mr. HAGEN. To get back to this picture, last year 5.5 million bushels were produced. There is a total normal demand of 35 million bushels.

Mr. TALBOTT. That is correct.

Mr. HAGEN. And as I understand it, the macaroni manufacturers have been turning out inferior products because of a shortage of the proper ingredients?

Mr. TALBOTT. True.

Mr. HAGEN. Do you anticipate that this bill will meet that total requirement of between 5.5 million and 35 million?

Mr. TALBOTT. No, sir.

Mr. HAGEN. In other words, there is going to be a shortage, and your macaroni manufacturers are going to continue to turn out inferior macaroni unless they import durum wheat; is that correct?

Mr. TALBOTT. I think that is a proper statement; yes, sir.

Mr. HAGEN. So that actually this acreage in California would not create any surplus this year?

Mr. TALBOTT. No. It will not create any surplus. I was surprised to learn this morning that the seed has already been purchased. I would like to know the origin, from whom it was purchased and when. We have heard of no purchases being made. And because seed is so sensitive and in such short supply, I am quite sure we would have heard something about it. I am just wondering when they did purchase the seed.

If it was just recently, or some time ago. But that is really beside the point.

Our theory is this: That we may waste the seed if planted in untested areas. If California has some assurance—if they had some successful history behind them—that they had a reasonable chance of producing an acceptable durum, I would be all for saying that California should come in, but in view of the short supply of seed, I do not believe that we are justified in depriving the farmers of North Dakota and South Dakota and Montana and Minnesota of a seed supply to be planted in an area that is doubtful.

Mr. HAGEN. Minnesota is a big State, for example. There are only certain parts of Minnesota that are suitable for producing durum wheat.

Mr. TALBOTT. To the contrary, sir, most every county in the State of Minnesota has a history of producing class II durum wheat, acceptable for the manufacture of macaroni.

Mr. HAGEN. Is that true of all four of these States?

Mr. TALBOTT. I said Minnesota. I think that statement would hold true, also, for North and South Dakota, but not for Montana. I will venture to say that the central northwest and the northeastern regions of Montana would be capable, or are capable and do have acceptable history.

Mr. HAGEN. Yet this bill does not draw any line between parts of Montana—the unsuitable part of Montana—could get the seed and plant under this bill.

The CHAIRMAN. It gives the Secretary of Agriculture the right to designate.

Mr. TALBOTT. That is correct. The Secretary would designate the counties on the basis of history. And we have tabulated that history.

The CHAIRMAN. Are there any other questions?

Mr. BASS. Will you yield?

Mr. HAGEN. I just want to finish.

What happens then when we are up with another short supply, and the macaroni manufacturers want to import durum? You then have a real problem. Do you not think that we could take a calculated risk with this wheat acreage in California which you say is not definitely proved, but is a distinct possibility? It could also be in Oklahoma or anywhere else. To do that, rather than face the prospect of imports from abroad, or the production of an inferior macaroni product which is exactly what you said we were faced with.

Mr. TALBOTT. May I put it this way: The macaroni industry withdrew their petition before the Tariff Commission when they found the farm blocs were opposed to the importation of durum wheat from abroad. There were several reasons for that. They immediately withdrew the petition. In convention they expressed themselves as preferring to go forward in the next year or two and take a chance on the production as outlined in this bill, limited to the four States, knowing that what they got from those four States would most likely be of acceptable quality, rather than take the risk of opening the program to Texas, California, Idaho, and possibly Colorado.

They are the more likely States to produce. The agronomists are all in accord that we have no assurance—not the degree of assurance that we have in the four States named—that we will get back acceptable durum wheat.

I have two samples of wheat here with me that I would like to show you if you are interested. One was seeded in North Dakota, the same identical variety coming from the same plot of ground was sent to Oregon and seeded there. The reproduced wheat is just as different as is night from day. Still the area is reported to be in the climatic belt.

Mr. HAGEN. All this bill does, as proposed to be amended by Mr. Engle, is to clothe the Secretary with discretion. If he determines that this area is not capable of producing class II durum wheat, he has it in his discretion to control. There might be an area in Texas or Oklahoma that could come in. He can determine whether they meet this legislative test. And if they do not, these counties are not eligible.

Are you familiar with the complete tests that were carried out in California with this wheat?

Mr. TALBOTT. Yes.

Mr. HAGEN. Do you have personal knowledge of it?

Mr. TALBOTT. I have knowledge reported to me from the person conducting the experiments, and from our office out there. I have with me samples of the wheat.

I repeat, those samples look good, but I still maintain, notwithstanding the appearance, we have no qualitative values. All we have is the quantitative values.

I think any agronomist will tell you that quantitative values are insufficient to determine what the quality may be.

The CHAIRMAN. If I may interrupt, as I understand you are the marketing specialist of the Grain Division. Even if we amended the

bill as suggested by the gentleman from California, you still would not advise the Secretary to permit the growing of durum wheat in this area?

Mr. TALBOTT. I would have to do so.

The CHAIRMAN. That is all.

Mr. Andresen?

Mr. HAGEN. One more question, Mr. Chairman. How do you reconcile the opinion of this macaroni company which, after all, is in the business, who are willing to undertake to buy all of this with a firm commitment and have apparently tested it in making macaroni; they have more to lose than anybody, I would say.

Mr. TALBOTT. I wish that Mr. DeDomenico was large enough to purchase the production of 3,000 acres milled into semolina. I think the yield in Tulalake is running somewhere around 30 to 40 bushels. I do not think Mr. DeDomenico is that large.

Mr. ANDRESEN. Mr. Talbott. Do you know what the prevailing price is now, that is, the market price of No. II durum?

Mr. TALBOTT. I do not know as of today, but at the end of the year it had broke \$4. As of December 22, the last report I have recorded here, it was \$3.90 as compared with northern spring of \$2.86.

Mr. ANDRESEN. That is per bushel?

Mr. TALBOTT. I understand it is well in advance of \$4 now. Seed has been reported as high as \$10.

Mr. ANDRESEN. And we have had a short production in No. II durum for several years?

Mr. TALBOTT. Yes, sir.

Mr. ANDRESEN. Did we import any durum wheat?

Mr. TALBOTT. No, sir.

Mr. ANDRESEN. We have not?

Mr. TALBOTT. No, sir.

Mr. ANDRESEN. That is under the quota, then, of 800,000 bushels?

Mr. TALBOTT. That is correct.

Mr. BASS. If we do not extend further acreage on the durum wheat, what effect in the next 2 years, will it have on the price of macaroni going to the consumer?

Mr. TALBOTT. There is a limit to the price that the consumer will pay. At the present time there is a great quantity of imported macaroni products coming into America, made from 100 percent semolina, laid down in New York. The Italian trade is principally the purchaser of this 100 percent made macaroni product semolina.

The consumer will not pay the price that would be required when durum wheat is priced above \$5. I think that will be the breaking point where the macaroni manufacturer would have to cease—they are reported to be losing money now—when using 100 percent semolina-made macaroni products.

Mr. BASS. Has there been an increase in the price of consumer macaroni in the last 2 years, as a result of this shortage of wheat?

Mr. TALBOTT. Not a great deal. They have held their price, knowing that they are in competition with such other starchy foods and imported macaroni—they know that they have a top, that they have a limit to which they can go. They know the consumer will not pay it.

Mr. BASS. Do you not believe that the effect on the consumer market should be given a great deal of consideration by this committee on the future acreage of durum wheat?

Mr. TALBOTT. I certainly do.

Mr. BASS. And you believe that we have enough acreage now to supply the demand at a price that the consumer could pay?

Mr. TALBOTT. I do not think so, no. We do not have enough acreage. You confuse me a little bit when you say, Do we have sufficient acreage. We do have sufficient acreage. We would need today about 3.5 million acres at a yield of around 8 or 9 bushels to restore the supply to normal.

Mr. BASS. Where does the Department of Agriculture propose to place these new acres that we need in order to get the amount of wheat that we need?

Mr. TALBOTT. We hope to place it in the fringe areas.

Mr. BASS. In these four States?

Mr. TALBOTT. In these four States in the fringe areas that are capable and have histories of having produced Class I durum wheat which is acceptable; however, in the years when rust is not a problem, the quality of the wheat produced in the fringe area cannot compete with the quality produced in the Triangle area, where 85 percent of the durum wheat is produced.

Naturally, and furthermore, the yield of durum wheat in the fringe areas is lower than that of hard red spring and the durum wheat so produced is of an inferior quality to that produced in the Triangle.

So, therefore, the Triangle gets the market.

Mr. HOPE. I would like to ask you this question, Mr. Talbott.

Does the purpose of this bill in any way affect the provisions of our basic legislation relating to marketing quotas and acreage allotments, except the provision which permits an additional acreage for durum wheat for 1 year in the areas where it has always been grown?

Mr. TALBOTT. I do not think so. I prefer to have Mr. Miller express his opinion on that, if he may, Mr. Chairman. Mr. Miller is my immediate superior in the Department of Agriculture, in charge of the wheat acreage allotment program.

The CHAIRMAN. Will you come forward, please?

**STATEMENT OF EARL T. MILLER, MARKETING SPECIALIST, GRAIN
DIVISION, COMMODITY STABILIZATION SERVICE, UNITED STATES
DEPARTMENT OF AGRICULTURE**

Mr. MILLER. To answer your question, Congressman Hope, the present provisions of our wheat allotment program provide that any man with an allotment, or no allotment can plant 15 acres of wheat. He is not subject to quotas.

Mr. HOPE. That would apply to these people in the Tulalake area who can all plant 15 acres of wheat and sell it without paying any marketing penalty?

Mr. MILLER. That is correct. In addition to that, in that area they have at present allotments. They can plant wheat on that, that is, durum wheat. There is no restriction on that.

Mr. HOPE. They can plant durum wheat up to the full extent of their allotment and not pay any penalty?

Mr. MILLER. That is right, sir.

Mr. HOPE. And then in addition, if they want to pay the penalty—if they think that durum wheat is going to be selling for \$4 a bushel, they can well afford to pay the penalty?

Mr. MILLER. It would be about \$1.

Mr. HOPE. \$1 a bushel. They can well afford to pay it, and take that risk?

Mr. MILLER. Yes.

Mr. HOPE. If they felt the price was going to be as high next year as this year?

Mr. MILLER. I also have one thought in my mind which came to me while listening to the testimony. The bill provides for the crop that would be harvested in 1955.

In California usually it is a fall-sown crop, so that if that crop is not sown until this fall, that would be a 1956 crop that California is talking about.

I do not know whether that is the proposition here that should be brought out.

The CHAIRMAN. Mr. Abernethy.

Mr. ABERNETHY. I would like to ask this question: Would the increased acreage provided by this bill be allocated to the wheat farmers who have heretofore been subjected to controlled production, in other words, the farmers who have heretofore had a wheat base, and whose acreage had been reduced by virtue of controlled production?

Mr. MILLER. No, that would be untrue in the four-State area as the bill is written; in other words, I, as a farmer up in North Dakota, for example, who had never grown wheat, I could turn my entire cropland into durum wheat production this coming year.

Mr. ABERNETHY. Under this bill?

Mr. MILLER. Under this bill, that is right.

Mr. ABERNETHY. Thank you.

The CHAIRMAN. Are there any further questions?

Mr. DIXON. Is not the question of seed a very vital element there, that you would like to have what seed you do possess planted in proven areas?

Mr. MILLER. That is true. That is our main reason, I believe, gentlemen, for trying to restrict it to this area. Seed is one of the vital things. I think our estimates are that there are only about 2.2 million bushels of seed available. Even that is not very good.

Mr. DIXON. May I ask a second question? I note here that the experiment station at the North Dakota Agricultural College is mentioned. Is it the experiment station where this disease-resistant wheat is being developed?

Mr. TALBOTT. No, sir; the wheat is being developed in Yuma, Ariz., and at North Dakota State College.

Mr. DIXON. I believe that evidently this statement is in error, then.

Mr. MILLER. It is under the supervision of it.

Mr. DIXON. It states here:

Four such varieties of durum wheat, Class II, have been developed and further experimentation is being conducted by the North Dakota Agricultural College and Experiment Station.

Mr. MILLER. They are in control of the entire project, sir.

Mr. TALBOTT. I thought you were referring to California.

Mr. MILLER. He is referring to the testimony.

Mr. TALBOTT. May I explain this? The spring wheat is produced in North Dakota under the North Dakota State Agricultural College.

Mr. DIXON. And the experiment station?

Mr. TALBOTT. That is right, sir. Under Dr. Stoa's supervision. There was shipped 238 bushels, I think, to Yuma, Ariz., to be reproduced this winter. The reproduction is returned to the North Dakota station to be reproduced this coming spring.

I was confused. I was thinking about something else. There was at one time some consideration given to producing the seed in California, and they decided against it.

Mr. DIXON. I happen to know that it takes from 6 to 7 years to develop these smut and rust-resistant wheats.

The agricultural experiment stations have reciprocal agreements, do they not?

Mr. MILLER. Yes.

Mr. DIXON. Wherein, if there is an acute need for some commodities, they farm it out to the other experiment stations to speed up the production. That has been done in connection with the vernal alfalfa seed, and things of that kind.

Can that not be farmed out to other research centers to speed up this seed, when it is so acutely needed, and there is distress in the macaroni industry?

Mr. TALBOTT. Yes, sir; they did farm it out this year, 1954, when they sent down to Yuma, Ariz., 238 bushels.

Mr. DIXON. Just to one place?

Mr. TALBOTT. That is all we had. There was ample area down there to produce it. Yuma is a very favorable area. The State of North Dakota appropriated \$65,000 to defray the expense. The milling industry has come forward and offered to defray any deficiencies that may show up.

The CHAIRMAN. May I ask a question? When is the planting season for durum wheat?

Mr. TALBOTT. It is a spring wheat, planted in the spring, sir.

The CHAIRMAN. So this legislation should be passed immediately?

Mr. TALBOTT. Definitely so.

The CHAIRMAN. Or it would probably be too late to do any good?

Mr. MILLER. I think the reason for that, if North Dakota has an early spring, of course, the farmers do want to get their seed. They will start breaking ground in the latter part of March and early April.

Under our concept we perhaps will have to do considerable informing to the individual producers out there to let them know what they can do.

He is still subject, as you realize, to marketing quotas on hard spring wheat. And so if he got the illusion that this opened it wide open, he might overplant his regular allotment, and then we would be in a mess.

Mr. BELCHER. I believe Mr. Talbott made the statement, that in California if you raise durum wheat and it was found to be not suitable for the manufacture of macaroni, that it might go into the regular channels of the market, and therefore give the farmer an additional quota in ordinary wheat.

Do you mean that to be true?

Mr. TALBOTT. No, no.

Mr. MILLER. No.

Mr. TALBOTT. When I said if the wheat was not acceptable it would go into commercial channels, I mean, assuming that California was included, the durum wheat produced under this law would not become

a part of his history and not acceptable for macaroni it would add to our surplus. It would not add to his history at all.

Mr. BELCHER. In other words, durum wheat produced anywhere under this bill that was not suitable for macaroni manufacture would compete with all other wheat in the making of ordinary flour, would it not?

Mr. TALBOTT. No, sir.

Mr. BELCHER. Why were you alarmed a while ago, then, that these California farmers would raise wheat that was not suitable to the manufacture of macaroni?

Would that not be their problem?

Mr. TALBOTT. It would add to the surplus. Durum wheat has no use other than macaroni and cereals. Durum wheat class II cannot be used for bakery products.

Mr. BELCHER. All right, then, why was the Department of Agriculture concerned at all about whether a fellow raises wheat that is not suitable, that is, if it is not suitable, it is his own loss, and why should it affect the Department of Agriculture?

Mr. TALBOTT. We are going to support the price, are we not? Durum wheat is eligible for price support.

Mr. MILLER. I think the principle behind that was our shortage of seed. If we go out and produce the crops that do not meet the demand we have, I do not think we are taking the right attitude in permitting such a thing, sir. That is what we are driving at.

It could be placed under loan.

Mr. HOPE. The Commodity Credit would have to take it.

Mr. BASS. It would not come under loan at \$3.90 a bushel.

Mr. MILLER. The millers would not take it. It does not meet their standards. They would not want it. It would then come under the Commodity Credit jurisdiction to take it over.

Mr. TALBOTT. You cannot commingle it with other wheat.

(The following statements were submitted to the committee:)

STATEMENT OF HON. E. Y. BERRY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF SOUTH DAKOTA

I have asked to appear before you so as to submit a suggestion for an amendment to S. 145 introduced by Senator Milton Young of North Dakota. S. 145 is identical to the bill that I introduced in the House of Representatives, H. R. 1765. Other similar bills affecting acreage and production of durum wheat have been introduced in both Houses of the Congress.

After further study on this matter, I have two suggestions for amendment to submit to this committee which I feel would be in the best interest of the farmer as well as the best interests of the Nation.

First of all, I would suggest that the phrase beginning with the word "and" on the 2d line of the 2d page of both the above-described bills and continuing through the word "wheat" on the 10th line of the 2d page be deleted.

The effect of this deletion would be twofold:

1. The farmer who had not produced durum wheat during the last 10-year period would not be prohibited from planting durum wheat if he chooses to do so. With durum wheat being in short supply, it seems to me that this amendment is realistic, beneficial, and necessary.

2. The farmer would not be restricted as to a certain number of acres of durum wheat that he could plant and his operations would not be restrained by the maximum acreage ceiling over which he could not plant.

I call the committee's attention to the fact that this suggested amendment does not prohibit the Secretary of Agriculture from establishing acreage allotments according to his best judgment. The proposed amendment would allow the Secretary to establish acreage allotments without being bound by the undesir-

able restrictions of the 10-year planting base or an established maximum of durum acres. It seems advantageous to me that the Secretary should have this discretionary power.

I know that all the members of this committee are familiar with a proposal made not too long ago to import several million dollars of durum wheat into this country. I am opposed to such a program if the durum wheat can be produced here at home, and I am confident that we can meet our needs for durum wheat if we remove these undesirable restrictions.

I feel strongly regarding this matter as a number of our midwestern farmers are caught in a price-cost-squeeze and that the products which they must buy to continue their operations are out of line with the prices they are receiving for their total unit production.

This legislation affecting durum would be of great benefit to midwestern economic life and will thereby be a substantial bolster to the national economy. It is my opinion that the deletion of the above-described limitations from the legislation will give the Nation's farmers an even more desirable durum wheat program under which to operate.

I will be glad to discuss these suggestions with individual members of the Agriculture Committee or with your committee as a whole. Thank you for your consideration.

HOUSE OF REPRESENTATIVES,
Washington, D. C., February 3, 1955.

Hon. HAROLD D. COOLEY,

Chairman, Agriculture Committee,

House of Representatives, Washington, D. C.

DEAR CHAIRMAN COOLEY: I would like to recommend to your committee that the durum-wheat legislation under consideration at this time be approved. Durum wheat is in short supply and this legislation would benefit the farmers in Montana, Minnesota, North Dakota, and South Dakota, as well as supplying the requirements of the Nation for durum wheat.

Montana has always been considered as part of the commercial-wheat country. It is well suited to the production of wheat, but is not well adapted to the production of profitable crops other than wheat.

As a practical matter our national policy should be to increase the production of any grain crops that are in short supply, and to decrease production of those that are in surplus. Durum wheat is an excellent example of a crop in short supply.

I would like to call the attention of your committee to the fact that high-protein wheat such as Montana farms normally raise is also in short supply. This wheat always draws a premium on the open market. The wheat surplus in our Nation is composed of lower quality wheats that do not have the desirable milling qualities common to the high-protein wheat raised in Montana. I feel that efforts should be made to increase the acreage allotments in areas suited to the production of high-protein wheat, and to decrease the acreage allotments in those areas not suited to the production of quality wheat. It is these lower quality wheats that are in surplus.

Acreage controls work a particular hardship on the small farmer and landowner, and these people are the backbone of our farm population. Montana is in that area of the West in which the practice of summer-fallowing land is followed. The farmers have tilled their land in accordance with sound conservation practice for years. Our acreage controls have been based on the cropped acreage and not on the tilled acreage, and consequently the small dryland farmer has had a hardship placed on him because he was only cropping half of his land each year to begin with. By following good conservation practices they have decreased the probability of requiring disaster relief as has been the case in other sections of the Nation's food belt, and this factor has not been fully appreciated in setting up the acreage reduction policies.

The tendency has been for acreage controls to make the small farmer smaller and the large farmer larger. I am greatly concerned with this trend. It is not economically possible for the little farmer to acquire more land to farm to make up for the acreage reductions he has suffered. The larger farmers have been better prepared to take this action. With Montana's high-protein wheat bringing a premium on the open market, it is difficult for these small farmers and landowners and for me to see the relation between them and the producers of lower quality wheats, who are creating our wheat surplus.

I would urge that your committee study the problems of the producer of high-protein wheat and make equitable recommendations to the Congress in that regard.

Yours very truly,

ORVIN B. FJARE, M. C.,
Second District, Montana.

The CHAIRMAN. If there are no further questions, I would like the committee to go into executive session, if we may, at this time.

Thank you, gentlemen, for coming up.

(Whereupon, at 11:45 a. m., the committee adjourned.)

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DURUM WHEAT ACREAGE ALLOTMENTS

HEARING
BEFORE THE
COMMITTEE ON
AGRICULTURE AND FORESTRY
UNITED STATES SENATE
EIGHTY-FOURTH CONGRESS
FIRST SESSION

ON

S. 145

A BILL TO AMEND THE WHEAT MARKETING QUOTA
PROVISIONS OF THE AGRICULTURAL ADJUSTMENT
ACT OF 1938, AS AMENDED

JANUARY 21, 1955

Printed for the use of the Committee on Agriculture and Forestry



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DURUM WHEAT ACREAGE ALLOTMENTS

FRIDAY, JANUARY 21, 1955

UNITED STATES SENATE,
COMMITTEE ON AGRICULTURE AND FORESTRY,
Washington, D. C.

The committee met, pursuant to notice, at 10:10 a. m., in room 324, Senate Office Building, Senator Allen J. Ellender (chairman) presiding.

Present: Senators Ellender, Holland, Scott, Aiken, Young, Thyne, Mundt, Schoeppel.

Also present: Senator William Langer and Representatives Otto Krueger and Burdick.

The CHAIRMAN. The meeting will be in order.

We have met this morning to consider S. 145. I will ask that a copy of the bill be inserted in the record at this point.

(S. 145 is as follows:)

[S. 145, 84th Cong., 1st sess.]

A BILL To amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (e) of section 334 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1334 (e)), is amended, beginning with the 1955 crop of wheat, to read as follows:

"(e) Notwithstanding any other provision of this act, the Secretary shall increase the farm marketing quotas and acreage allotments for the 1955 crop of wheat for farms located in counties in the States of Minnesota, Montana, North Dakota, and South Dakota designated by the Secretary as counties capable of producing class II durum wheat and which have produced such wheat for commercial food products during one or more of the ten years 1945 through 1954: *Provided*, That the increase in the wheat acreage allotment for any farm shall not exceed the difference between the acreage of cropland on the farm suitable for the production of wheat and the wheat acreage allotment, if any, determined without regard to this subsection, and the increase in allotment shall be conditioned upon the production thereon of class II durum wheat. The increase in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and the acreage of class II durum wheat thereon shall not be considered in establishing future State, county, and farm acreage allotments."

The CHAIRMAN. Senator Young, you introduced this bill, with others. Have you any statement that you would like to make to the committee?

I wish to say that this bill is introduced by Senator Young for himself, Senators Langer, Thyne, Humphrey, Mundt, Case of South Dakota, Murray, and Mansfield.

**STATEMENT OF HON. MILTON R. YOUNG, UNITED STATES SENATOR
FROM THE STATE OF NORTH DAKOTA**

Senator YOUNG. Mr. Chairman and members: First, May I express my appreciation to the chairman for calling this meeting at such an early date. This is an urgent matter, I believe.

The committee will recall that last year it approved an amendment to the cotton quota bill to allow an increase in durum wheat production. The increased acreage in that bill was limited to those who had a durum production history.

This bill will permit the farmers in the four-State area to increase their acreage, or, to plant additional durum wheat on any acreage above that allotted to them under the various programs, provided that the county in which they live has a durum wheat history.

Mr. Chairman, it is hard to believe that there is a shortage of wheat. We have a big surplus, but there is a real shortage of durum wheat, about 85 percent of which is produced in North Dakota.

The average production, I think, is around 35 million bushels in the United States. In the last 10 years we hit a high of about a little over 45 million bushels in 1940. Starting in 1952 it dropped to 22.5 million; in 1953 to 13 million bushels; and in 1954, 5.6 million bushels.

That drastic drop in production was due almost entirely to a new type of rust known as race 15-B.

This bill I think will provide part of the answer in getting the necessary increased production to meet our consumer needs.

I think my colleague, Senator Langer, has a statement that he wishes to make.

The CHAIRMAN. Senator Langer.

**STATEMENT OF HON. WILLIAM LANGER, UNITED STATES SENATOR
FROM THE STATE OF NORTH DAKOTA**

Senator LANGER. Mr. Chairman and members, I appreciate the opportunity of appearing before you. I want to corroborate everything that my distinguished colleague has told this committee.

I might say that I have various telegrams here that are pretty much alike.

I will read this one, it is from the Derrick Farmers Elevator Co., of which Hugh S. Lymburn is manager, and reads as follows:

We feel that if something isn't done to help durum farms that there will be very little durum seeded in this area. Feel that about 50 percent are not eligible for insurance under present setup.

In discussing this matter with Senator Young, we would like to see the bill passed without any changes whatsoever. If any changes are to be made, we would rather, we believe, have it in a separate bill.

I would like permission to file all of these telegrams. My office has notified me since I came up here that there are many more telegrams that have come in and I would like to ask permission to file those telegrams as well. I am not going to take the time of the committee to read all of them. They are all of the same tenor.

The CHAIRMAN. Suppose we have printed in the record one of the telegrams that is typical, and then the names of the others who sent them in; would that be all right?

Senator LANGER. With one exception, I would prefer to have the telegram that does not mention the insurance rates put in.

The CHAIRMAN. We will have the committee staff select typical ones.

(The telegrams are as follows:)

DERRICK, N. DAK., *January 20, 1955.*

Senator WILLIAM LANGER,
Washington, D. C.:

We feel that if something isn't done to help durum farms that there will be very little durum seeded in this area. Feel that about 50 percent are not eligible for insurance under present setup.

DERRICK FARMERS ELEVATOR Co.,
HUGH S. LYMBURN, *Manager.*

HARLOW, N. DAK., *January 20, 1955.*

Senator WILLIAM LANGER,
Washington, D. C.:

I approve of bill introduced by you to increase the acreage of durum wheat and also amendment providing for reinstatement of crop insurance in 1955 for those who did not participate in 1954.

Sincerely,

MAGNUS M. LYSNE.

WHITMAN, N. DAK., *January 20, 1955.*

HON. WILLIAM LANGER,
Senate Office Building, Washington, D. C.:

Urge you do all possible for durum crop insurance and incentive payments on 1955 durum production. Our 200 durum producers urgently need this.

WHITMAN Co-OP ASSOCIATION.

KLOTEN, N. DAK., *January 20, 1955.*

Senator WILLIAM LANGER,
United States Senate, Washington, D. C.:

We are definitely in favor of supporting acreage increase of durum and also reinstatement of crop insurance of durum in 1955 for those who did not participate in 1954.

KLOTEN FARMERS UNION ELEVATOR Co.,
O. G. GLUNBERG, *Manager.*

Senator LANGER. I simply want to say that I believe that every farm organization in North Dakota is back of this bill. Some have telephoned me.

The managers of all of the elevator companies out there, and I might say the banks, too, the people who extend credit, are back of this bill. They feel they need it if we are going to have any appreciable amount of land seeded next year to durum wheat.

I thank you.

The CHAIRMAN. Are there any other witnesses that you want to present?

Senator YOUNG. Congressman Krueger, from North Dakota, is here, who has introduced a companion bill on the House side.

The CHAIRMAN. We shall be glad to hear from you, Congressman Krueger.

STATEMENT OF HON. OTTO KRUEGER, A REPRESENTATIVE AT LARGE IN CONGRESS FROM THE STATE OF NORTH DAKOTA

MR. KRUEGER. Mr. Chairman and members of the committee, I appreciate this opportunity to appear before the Senate Agriculture Committee in support of S. 145. I have introduced a similar measure on the House side, and I want to compliment Senator Young for his leadership in this legislation. His action may make it possible for our farmers to get some relief this growing season.

Aside from my interest as a Representative from the State that has produced most of the quality durum, I have a personal interest in seeing the durum acreage restrictions lifted. I have a couple of farms myself. I am not a big operator, so I can speak for the small farmer to whom these increased acres might make a major difference economically.

Last year my share of the durum crop from one-quarter section in Wells County—which is in the durum district, amounted to \$55.08. We had straw for a 30-bushel crop and harvested half a truckload off the whole 40-acre field. Race 15B rust cleaned us out, as it has farmers all over the whole durum area. Our production is to the point where the processors are about ready to seek other sources of supply. They have to make a sacrifice in quality, but they have consumers to protect, too.

For many of us durum was the ace in the hole in this farming gamble. We could depend on it until Race 15B rust came along, and now the cards are stacked against us. Until we can develop rust-resistant varieties, durum planting is a long chance.

It was hard for me to understand at first what terrific damage this rust had done. Then, not too long ago, I made a trip to Langdon, the heart of the durum country, where the pioneer work in durum development was started. At Tom Ridley's farm home the walls were hung with plaques for championship durum—trophies won in international competition. I complimented Tom, and he said that I should take a look at his latest crop. Out in the granary he showed me stuff that a well-fed sparrow would sneer at—33 pounds to the bushel, 2 bushels to the acre. This was the crop of a champion durum farmer.

The loss of a crop can mean the loss of a market. The demand exists, but the supply of United States grown durum is small. Foreign producers are ready to take over with inferior grades at lower costs if we let them come in. The old-time growers of quality durum don't like this, but they are not afraid of recapturing their outlets if they can find a rust resistant variety soon. The advantages of climate and elevation are all with them.

Approval of S. 145 by the Congress means that many farmers will have a crop for restricted acres, a crop that will not add to any commodity surplus but help us to keep a market here at home, to relieve a serious shortage of macaroni materials.

The members of the committee will have an opportunity to hear experts on this subject—fellows who live with durum, eat it, and I guess sleep with it, too. And among them is one of my toughest political opponents from North Dakota, Orris Nordhousen. I see he is here and no doubt will have something to say about this bill. It is really pleasant to have Orris on my side for once.

Thank you, gentlemen, for the privilege of giving my views in support of this measure, S. 145.

The CHAIRMAN. Are there any questions?

Senator SCHOEPPPEL. I would like to ask the Congressman, and also the sponsor of the bill, my colleague, Senator Young, a question.

As I view it—I am sure it must be their view—there is no other way that this matter could be approached other than by this specific legislation, or some type of specific legislation.

As I understand it now, the department, under the present law, could not meet this kind of a requirement or condition as you gentlemen are going to testify to, and as you have testified to, without having this type of legislation.

Am I correct in that assumption?

Senator YOUNG. May I answer first? I think you are right. The average durum farmer took a terrific licking in the last 2 years. They are not going to plant much durum this next year unless some incentive is provided.

We hope to get additional acreage planted by providing this incentive to get other wheat farmers to plant on land that might otherwise be put into oats, barley, or rye. I doubt very much if we will get all of the acreage that we will need for next year, but my bill will go a long way in helping relieve the situation.

The legislation that was approved by this committee last year resulted in nearly 1 million acres increase.

Farmers, I think, can by planting durum on poorer, high land could probably get away from rust damage much better than by planting on better land. There is a chance of increasing the durum wheat production considerably by encouraging the farmers, outside of the durum triangle, where most of it is produced in the entire United States.

We think some farmers in Montana will perhaps plant some durum wheat if we have this legislation. In South Dakota, as well, they may increase it.

Senator SCHOEPPPEL. I would like to ask one further question. The approach that we made to it last year by additional legislation that brought in to the durum production something over 1 million acres of wheat—

Senator YOUNG. Additional acres of durum wheat that we believe otherwise would not have been planted.

Senator SCHOEPPPEL. As I understand it, because of the climatic conditions, and largely because of the rust damage and the hazards with reference to that, the durum wheat production did not come up to expectations, and you are still short on the production.

What additional amount of acreage normally, in your judgment, would be required to meet generally these requirements?

Senator YOUNG. The acreage that was planted last year would produce enough durum wheat, I think, under normal conditions, but those farmers have taken two terrific losses in a row. Most of them cannot afford to seed durum next year, and will not.

The production last year was only 5.6 million bushels. The average, I believe, over the 20-year period would be more like 35 million bushels.

This low of 5.6 million bushels, is probably an alltime low, at least, low for 40 years or more.

The CHAIRMAN. I would like to ask you a question, Congressman Krueger, in line with what Senator Schoepfel has asked.

As I understand it, you stated in your statement, people who usually grow this durum wheat are not prone to plant too much of it because of the fact that it is affected with rust more than other types of wheat.

Mr. KRUEGER. That is correct. The last 2 years it has been terrifically affected with the 15-B rust.

The CHAIRMAN. Those who usually plant durum wheat then plant rustproof wheat, or wheat that was rustproof?

Mr. KRUEGER. You're right. No present wheat variety is entirely rustproof. The farmer must have some cash income so he is switching to the more rust-resistant varieties—hard wheat.

The CHAIRMAN. Suppose this acreage that you are now asking for is permitted, I mean, this additional acreage is permitted, do you not think that we ought to have something in the law at least to make the farmers in that area plant the durum wheat that would have been planted, even if this act would not be passed?

Mr. KRUEGER. They may not plant because of the fact that they can plant other wheat which would give them a better crop yield.

The CHAIRMAN. As I understand now, the main purpose of this bill is to encourage the planting of more durum wheat?

Mr. KRUEGER. That is right.

The CHAIRMAN. Under the law as it now stands, the farmers of North Dakota and South Dakota, wherever durum wheat is planted, ordinarily would plant durum wheat, but because of the fact that it is subject to disease, instead of planting the durum wheat they will plant some other kind of wheat?

Might it not be possible for them to plant the entire allotment under the present law to rustproof wheat, that is, not the durum wheat, and use this acreage as additional acreage?

Mr. KRUEGER. Well, I do not think that they would plant any more of the other kind of wheat than is allotted them. You see, each farmer has a wheat history, a wheat allotment.

The CHAIRMAN. I understand that. What I have in mind is this: I would like to see of course more durum wheat planted because we need it. The thing that bothers me is this, and I would like to have that developed by the introducers of this bill, this additional acreage is being allowed in order to produce more durum wheat, but the farmers who would now plant durum wheat this year under their present allotment will, at least, plant as much as they intended to plant and not devote all of their present plantings to wheat other than durum wheat and use this extra acreage here simply to add to their allotment.

Mr. KRUEGER. I do not believe that all farmers would do that. Some will devote part of the allotted acres to durum.

The CHAIRMAN. Would you have any objection to putting that in the bill?

Mr. KRUEGER. Proper restrictions so far as planting other kinds of wheat are concerned; is that what you mean?

The CHAIRMAN. What I mean is this, I would like to have the bill have something in it to assure that the farmers who, let us say, intended to plant X number of acres of durum wheat, irrespective of

the bill that you now have before you, will plant that amount and this is only in addition to what they would plant under the present law.

Mr. KRUEGER. You can't force farmers to risk durum wheat on allotted acreage. The purpose of this bill is to encourage the planting of durum on additional acreage. I would like to hear Senator Young's opinion on this.

The CHAIRMAN. Do you get the point?

Mr. KRUEGER. Yes, I get the picture.

Senator YOUNG. I think it is quite true that this bill would permit a farmer who planted nothing but durum wheat last year to plant all hard wheat on that acreage and to plant this additional acreage to durum wheat. There is no way of getting away from that.

If you do nothing at all, the durum wheat farmer is just not going to plant durum wheat this year. He lost almost his entire crop 2 years in a row. Most of them are practically out of business, unless they can borrow money. Otherwise, they will not be able to do anything.

This I believe is the only way that you can possibly get any increase in production.

If we do nothing at all, the durum wheat just will not be planted, if I may say that again.

This bill will permit the farmers in Montana, South Dakota, and North Dakota to plant additional acres on diverted acres, but even at that there is a limitation in the amount they can plant, because there was only about 5 million bushels produced altogether.

There probably is not over 2.5 million bushels available altogether for seed.

The CHAIRMAN. Under last year's allotment, would you remember how many acres were devoted to the planting and the production of durum wheat?

Senator HOLLAND. It is right here on the right hand side there, the last tabulation.

Senator YOUNG. It was around 2.5 million, was it not—about 2.5 million acres; is that correct?

Mr. WALKER. Last year there was a total of 1,641,000.

Senator YOUNG. Altogether?

The CHAIRMAN. Was that in these States named in the bill?

Senator YOUNG. Practically all in North Dakota.

Mr. WALKER. North Dakota and South Dakota and Minnesota.

Senator YOUNG. About 85 percent in North Dakota.

The CHAIRMAN. How many more acres could be planted if the pending measure were to be enacted by Congress?

Senator YOUNG. It would be limited by the amount of seed. There is not over 2.5 million bushels of durum seed wheat altogether. Ordinarily it takes about a bushel and a half of durum wheat to the acre. Of course, with lighter weight seed less would be required. You could figure from that how many acres you could plant altogether if we had no limitation whatever.

There is one way you could get the durum wheat production in the durum area, to get those who planted it before to plant it again, and that would be if you had a big enough incentive payment, so that it would encourage them to plant. That would be much the same as we had for flax during the war, through nonrecourse loans or some-

thing like that. Otherwise, those farmers just cannot afford to plant durum wheat, and they will not.

Even with this legislation it will be very questionable if we can get anywhere near the durum wheat production that we need in the United States.

The CHAIRMAN. Well, then, if you have no restrictions, as I am suggesting in the present bill, most of the acres that could be added to wheat, other than durum, would be about 1.5 million acres, which was the entire amount planted last year.

Senator YOUNG. You would be fortunate if you could get that, and I doubt if you would.

Senator AIKEN. That would not result in the planting of 1.5 million acres more of ordinary wheat, would it? Then would we find that the durum wheat that was planted was all planted or mostly all planted outside of the regular wheat allotment?

Senator YOUNG. It is bound to result in a little increase in wheat production. I think the Department has made a study of that. They should have some figures on it.

Senator AIKEN. Then do you think any additional planting of durum wheat would naturally come out of the acreage which might be planted to oats or flax or barley?

Senator YOUNG. Yes, quite a large part, I think maybe most of it.

Senator AIKEN. As I understand it, there is enough of the rustproof durum wheat seed available to plant 4,500 acres.

Senator YOUNG. That is about right. You are very well posted.

Senator AIKEN. That would be planted, and the crop sold for seed for the following year.

Senator YOUNG. Yes, we will have about 7,000 bushels altogether out of the 4 varieties of rust-resistant seed which we sent down to Arizona to reproduce in the winter. We will bring it back in the spring. It will come back a little late, but in time for this year's crop.

The CHAIRMAN. Are there any further questions?

Senator HOLLAND. What is the advantage of the program as defined in this legislation over the legislation which would simply exempt durum-wheat production entirely from regulation?

Senator YOUNG. I think the Department could probably answer that better than I could. By doing that you would open up all of the United States. This bill confines it to the States and counties that had durum-wheat production history.

Senator HOLLAND. Well, if you followed that same measure in those same States and counties, what would be the advantage of this bill over the method of approach that I indicated, that is, complete exclusion of durum-wheat production from the terms of the regulatory act?

Senator YOUNG. This bill is only for 1 year. We are pretty well limited by the amount of seed available. Probably there is not enough seed in the whole United States to plant any more than 1.5 million or 2 million acres.

The Department would be a better witness on that figure that I would.

Anyone wishing to plant durum wheat any place would have a problem of getting good seed; durum wheat is selling now for around \$3.75 to \$4 a bushel, which is about \$1.50 to \$1.75 above the price of No. 1 hard spring premium wheat.

Senator HOLLAND. You understand my question. What I want to do is to help accomplish what you are trying to do.

Senator YOUNG. Yes.

Senator HOLLAND. I notice that the amendment that we passed last year applicable to durum extends through this year.

Senator YOUNG. That is right.

Senator HOLLAND. And would be applicable to this year's production if allowed. So what would be the advantage of this proposal that you make in this pending legislation over the continuance of the amendment of last year through this year?

Senator YOUNG. The amendment of last year tied down any increase to individual farmers with a durum-wheat history. This allows it to any farmer within the county that had a durum-wheat history.

Many farmers we hope will plant durum wheat this year, who planted no durum wheat before.

Under the legislation last year, he had to have a durum-wheat history.

Senator HOLLAND. It was a period of 3 years in the last one, and in this it is 10 years.

Senator YOUNG. That is another difference, too. This will open it up to the production of durum wheat in most of the counties in the four States.

Senator HOLLAND. You think that this proposed legislation will result in more durum-wheat production than the continuance of last year's amendment through this year?

Senator YOUNG. Yes. It will result in considerable increase over the other legislation. The other legislation would help some, I think, this year, but not very much.

Senator HOLLAND. What would be the result on the general planting of wheat other than durum, with the adoption of this legislation as compared with the continuance of last year's amendment through this year?

Senator YOUNG. Either way, there will be a decrease in durum-wheat production by the regular durum-wheat farmers. So either way you would have a small increase in the production of spring wheat in that area.

The durum-wheat farmer, who has lost heavily for 2 years, would naturally go to spring wheat. That is the regular spring-wheat variety, the hard spring wheat. If this passes, we hope at least he will plant his diverted acres to durum wheat and that many other farmers who otherwise would probably plant flax, oats, and barley, supported crops, too, will plant some of that acreage to durum wheat rather than to continue producing those crops.

Senator HOLLAND. Does the Department of Agriculture prefer this proposed method of dealing with the problem, to the one which was embraced in the amendment of last year, which amendment will continue through this year, if allowed to do so?

Senator YOUNG. Yes; I understand they do. They will testify here next.

Senator HOLLAND. Thank you very much.

The CHAIRMAN. Are there any further questions?

(No response.)

The CHAIRMAN. If not, thank you very much, Congressman Krueger.

Senator Mansfield, from Montana, a coauthor of this bill, is unable to be present this morning. He sent a short statement that he would like to have inserted in the record at this point. And, without objection, it will be so ordered.

(The statement referred to is as follows:)

STATEMENT FILED BY HON. MIKE MANSFIELD, UNITED STATES SENATOR FROM THE
STATE OF MONTANA

Mr. Chairman, I wish to join my distinguished Senate colleagues Mr. Young, Mr. Langer, Mr. Thye, Mr. Humphrey, Mr. Mundt, Mr. Case of South Dakota, and Mr. Murray in requesting that the Agriculture and Forestry Committee report favorably on Senate bill 145. This bill would increase the farm-marketing quotas and acreage allotments for the 1955 crop of wheat for farms in the States of Minnesota, Montana, North Dakota, and South Dakota, which are capable of producing class II durum wheat.

In order to insure increased acreage and production of durum wheat during 1955 I wish to recommend to the committee that the portion of S. 145 limiting increased acreage allotments for durum wheat to counties in Minnesota, North Dakota, South Dakota, and Montana with a 10-year history of durum-wheat production be stricken from the bill. On page 2, place a colon after wheat at the end of line 2. Strike out lines 3 and 4 and "1954:" on line 5.

As the bill now reads, the areas eligible for increased acreage allotments are too limited to add sufficiently to durum-wheat production. There are many areas in Montana and the other States concerned which are out of the rust area and are interested in growing durum wheat, but do not have a history of durum production. In order to meet the current emergency, it is necessary to allow these areas to plant durum wheat on acreage which would be allotted over and above the regular wheat allotments. The hazards of durum-wheat farming are well known so that farmers in these States will not embark haphazardly on a large-scale durum-wheat program.

Today, as we all know, the Department of Agriculture has instituted a program of acreage allotments in an attempt to avert continued excess production of wheat. Durum wheat is an exception. There is no overproduction of this variety; in fact, the Nation is facing a serious shortage. The 1955 Outlook Issue of the Wheat Situation distributed by the United States Department of Agriculture stated that, "An analysis of supply and distribution by classes reveals very large supplies of all classes except durum."

Durum wheat furnishes the greatest bulk of wheat for the manufacture of semolina, which is made into macaroni, spaghetti, and similar products. The industry is generally dissatisfied with other wheat substitutes. The macaroni industry is ever increasing, but they are now faced with a severe shortage of good raw materials.

Because of the small supplies of durum available throughout the past marketing year, prices of durum wheat were substantially higher than for other classes of wheat. Durum wheat of choice to fancy milling quality brought premiums of \$1.35 to \$1.60 per bushel over spring and winter wheat in the ordinary protein brackets according to departmental figures.

Traditionally in parts of North Dakota and some other adjacent areas durum has been the most profitable wheat crop for farmers to raise. This would be true today except for the ravages of race 15b stem rust which has been shrinking production progressively during the past several years to a point where now less than 20 percent of the normal production is being grown. The situation is so serious that consideration has been given to importation of durum wheat.

The serious deterioration in the durum wheat supply was created by two successive crop year failures, 1952 and 1953, and the practically total failure of the 1954 crop. The situation is so serious that national attention has been directed to the problem of development and distribution of durum wheat varieties possessing immunity to race 15b rust. Durum production in the United States has decreased from 37,212,000 bushels in 1950 to 7,963,000 bushels in 1954 according to Department of Agriculture figures. The 1954 crop is the second smallest crop since estimates began in 1919.

Without special efforts in 1955, production will again be sharply reduced. S. 145 will help alleviate this problem by increasing the farm marketing quotas and acreage allotments in 1955 for farms located in these four States, where durum can be grown.

In conclusion I again wish to stress the importance of giving speedy approval to S. 145, amended along lines I have suggested.

The CHAIRMAN. Who is your next witness?

Senator YOUNG. The next witness is from the Department of Agriculture, Mr. McConnell.

The CHAIRMAN. Mr. McConnell, we are considering S. 145. I understand you are here in behalf of the Department of Agriculture. I notice you have a prepared statement. Would you like to have it inserted in the record, and just highlight it for us? If so, you may do so, and then proceed.

STATEMENTS OF JAMES A. McCONNELL, ADMINISTRATOR, COMMODITY STABILIZATION SERVICE; T. B. WALKER, HEAD, GRAIN ANALYSIS BRANCH, GRAIN DIVISION; AND PHILIP TALBOTT, GRAIN DIVISION, COMMODITY STABILIZATION SERVICE, UNITED STATES DEPARTMENT OF AGRICULTURE

Mr. McCONNELL. Mr. Chairman and members of the committee, I would like to do that, to insert my statement in the record at this point.

(The statement referred to is as follows:)

STATEMENT FILED BY JAMES A. McCONNELL, ADMINISTRATOR, COMMODITY STABILIZATION SERVICE, UNITED STATES DEPARTMENT OF AGRICULTURE

We appreciate the opportunity to appear before this committee to testify in favor of S. 145. The committee is to be complimented for the prompt consideration being given this measure. If it is to accomplish its purpose of encouraging durum producers to increase production, it necessarily must be enacted quickly. Farmers need to be informed as soon as possible so they can make their plans and get seed. The amount of seed of desirable quality is not in great supply.

The supply situation with respect to durum wheat is critical, due to damage from stem rust, race 15B. In 1952 the production of durum wheat totaled 22 million bushels, which was only 60 percent of the 10-year 1942-51 average production of 37.4 million bushels. In 1953 the crop was 13.9 million bushels and the estimate for the 1954 crop is only 5.5 million bushels. The normal requirement for domestic use, exports, and carryover is about 35 million bushels per year. (See exhibit A, table I, Durum Wheat—United States Supply—Disposition.)

These three successive crop failures have endangered the entire durum wheat industry both on the production and milling sides. It is clear something must be done if this important segment of our agricultural economy is to retain its market and preserve the hard-won gains which have resulted, in contrast to other cereal foods, in increased favor and consumption.

With respect to eligibility for participation in the 1955 program which will be promulgated if the proposed amendment is enacted into law, we are in accord with limiting the increase seeding of durum wheat to those counties within the 4 States named which have produced acceptable durum in one of the past 10 years. There are several important reasons why eligibility to participate should be so restricted.

(a) The States named are the ones that have consistently produced, in quantity, durum wheat class II over a long period of years from which semolina, having suitable color and protein (quality and quantity) may be milled.

(b) Seed supply, even including seed of questionable quality, is so short it is desirable to have it planted in areas known to be capable of producing durum satisfactory for milling. We do not believe anyone is justified in taking chances with our short supply of seed by planting acreages in questionable areas.

An effort was made by the Congress in 1953 to relieve the situation by enacting section 4 of Public Law 290 (68 Stat. 4). Under this statute the 1954 acreage allotments and marketing quotas for wheat producers who had grown durum wheat during 1 or more of the preceding 3 years were increased to permit the growing of increased acreages of durum wheat class II. The purpose of the measure was not accomplished because of eligibility requirements and requiring producers to use a part of their allotment for durum. In this bill, the allotment may be planted to bread wheat and the extra acres into durum. Producers feel that the growing of durum wheat against the hazards of stem rust, race 15B, is too great to expect them to take chances inherent in seeding a substantial part of their farm wheat acreage allotments to durum. (See exhibit B, Summary of 1954 Program.)

Under the proposed bill farmers would be permitted in areas capable of producing durum wheat class II, from which acceptable semolina may be produced for the production of satisfactory macaroni products, to grow such class of wheat over and above the regular farm wheat acreage allotments without regard to the class of wheat seeded within the allotments. The acreage permitted to be grown would be limited only by the total acreage of cropland on the farm well suited for the production of wheat. Farmers operating in the historical areas would be eligible for the increased allotments for durum wheat production regardless of whether they had previously produced such wheat. The increases in allotments under the bill would not be considered in determining future State, county, and farm acreage allotments. (See exhibit C map.)

Although considerable increases in the acreage seeded to durum wheat could be expected if the proposed bill is enacted, it is not likely that the production of durum wheat will reach normal levels until adequate supplies of rust-resistant varieties of durum seed are available. Four such varieties of durum wheat class II have been developed and further experimentation is being conducted by the North Dakota Agricultural College and Experiment Station. This station is also conducting a seed reproduction program for such varieties. It is not expected, however, that ample seed of these varieties will become available before 1957.

The proposed bill would apply to the 1955 crop only. Although the problem may continue for 2 to 3 years, it is felt that the situation should be reexamined before continuing this type of legislation beyond 1955.

EXHIBIT A

TABLE I.—*Durum wheat, class II—United States supply-disposition*

[1,000 of bushels]

	1948-49	1949-50	1950-51	1951-52	1952-53	1948-52 5 year average	1953-54	1954-55 esti- mated
Supplies:								
Beginning stocks (grain only, July 1)	9,475	16,593	22,961	22,207	14,413	17,130	6,637	4,764
Production (all States)	42,163	36,343	35,671	34,072	22,404	34,131	13,605	5,954
Imports (grain plus macaroni products)	15	18	238	441	210	184	72	200
Total	51,653	52,954	58,870	56,720	37,027	51,445	20,314	10,918
Utilization:								
Food ¹	22,638	22,730	23,329	25,259	24,389	23,669	12,892	5,175
Feed and loss ²	3,995	1,980	-----	-----	226	1,241	485	348
Seed	4,844	3,758	3,393	3,089	2,852	3,587	1,909	2,200
Domestic disappearance	31,477	28,468	26,722	28,348	27,467	28,497	15,286	7,723
Exports:								
Grain	2,537	1,125	9,620	13,678	2,644	5,921	41	-----
Semolina and flour	81	131	116	153	129	122	85	-----
Macaroni and products	965	269	205	128	150	343	138	-----
Total exports	3,583	1,525	9,941	13,959	2,923	6,386	264	225
Total disappearance	35,060	29,993	36,663	42,307	30,390	34,883	15,550	7,948
Ending stocks (grain only, June 30) ..	16,593	22,961	22,207	14,413	6,637	16,562	4,764	2,970
Acreage, yield, and production in 3 States only, as reported by AMS— North Dakota, South Dakota, and Minnesota:								
Acreage planted (1,000)	3,016	3,466	2,743	2,483	2,258	2,793	2,061	1,641
Acreage harvested (1,000)	2,962	3,284	2,659	2,417	2,109	2,686	1,828	1,314
Yield per planted acre (bushels) ..	13.8	10.4	12.8	13.4	9.7	12.0	6.2	3.4
Production (1,000 bushels)	41,531	35,946	34,979	33,372	21,818	33,529	12,708	5,501

¹ Total grind for semolina, less exports of semolina and macaroni products, plus estimated use for break-fast cereals.

² Residual. Includes possible statistical errors in supply and utilization data as reported.

EXHIBIT B

1954 wheat-allotment program: Analysis of effect of Public Law 290 on durum (class 1F) acreage for farms applying for benefit on application Form GR-371

State	Farm participation			Acreage benefit due to Public Law 290				Public Law 290 extra allotment utilization		
	Number farms GR-371 signed	Farms benefited ¹	Percent farm benefit (2÷1)	All wheat acres allotted before Public Law 290	Acreage benefit ²	Percent acreage benefit (5÷4)	Maximum extra allotment due to Public Law 290 ³	Extra allotment not used (7-5)	Percent extra allotment not used (8÷7)	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
Montana	84	75	89.3	24,387	2,359	9.7	3,292	933		28.3
Minnesota	273	206	75.5	22,381	3,482	15.6	7,414	3,932		53.0
South Dakota	686	470	68.5	69,178	10,064	14.5	27,010	16,946		62.7
North Dakota	10,589	7,488	70.7	1,410,006	272,677	19.3	889,891	617,214		69.4
Total	11,632	8,239	70.8	1,525,952	288,582	18.9	927,607	639,025		68.9

¹ Farms benefited (col. 2) are those having 1954 wheat acreage in excess of the original allotment but, due to Public Law 290, such excess was not subject to marketing quota penalty.

² Acreage benefit (col. 5) is the 1954 wheat acreage grown in excess of the original allotment but, due to Public Law 290, such excess was not subject to marketing quota penalty. This acreage increase may be attributed entirely to Public Law 290.

³ Maximum extra allotment due to Public Law 290 (col. 7) is the total increase in original allotment permitted by regulations issued under Public Law 290.

EXPLANATORY STATEMENT FOR EXHIBIT B

Exhibit B shows for the durum, class II area, and the four States therein, the accomplishments under Public Law 290 as applied to the 1954 wheat-acreage allotment and marketing quota program.

Columns 1, 2, and 3 reflect the extent to which farmers evidenced an interest in the amended program. In order to benefit from Public Law 290 a farmer was required to apply for increased allotment on Form GR-371. The total number of durum, class II farms is unknown. However, applications were filed on 11,632 farms of which 8,239, or 70.8 percent, actually seeded more durum, class II than could have been seeded without this legislative amendment.

Columns 4, 5, and 6 indicate the acreage accomplishments. Column 5 contains the 288,582 acres of durum, class II for 1954 which was in excess of the acreage originally allotted for all classes of wheat, but which was within the finally allotted acreage under Public Law 290. Actually, Public Law 290 could be credited with stimulating and even increased acreage made available to them.

greater acreage than shown in column 5 since column 5 shows only that acreage in excess of the original allotment. In practice most complying farmers seed 5 or 10 percent below their allotments, but such deficiency is not considered in computing the acreage benefit in this exhibit. For example, a farmer with an original allotment of 100 acres would have seeded only 93 acres. When his allotment was increased to 130 acres under Public Law 290 he decided to seed 125 acres. Therefore, it could be said that Public Law 290 resulted in 32 more acres of durum, class II, but column 5 of exhibit B would show an acreage benefit of only 25 acres, because that is the amount of increase in seedings over the original allotment.

Columns 7, 8, and 9 show the degree to which farmers finally did not use the extra acreage allotted to them for 1954 under Public Law 290. In other words, 70.8 percent of the application farms benefited to some extent but they failed to use 68.9 percent of the increased acreage made available to them.

EXHIBIT C

DURUM COUNTIES HAVING PRODUCED DURUM WHEAT CLASS II
DURING PAST TEN YEARS
BASIS AMS AND ARS DATA
AS PROPOSED UNDER S.145, DATED JANUARY 6, 1955

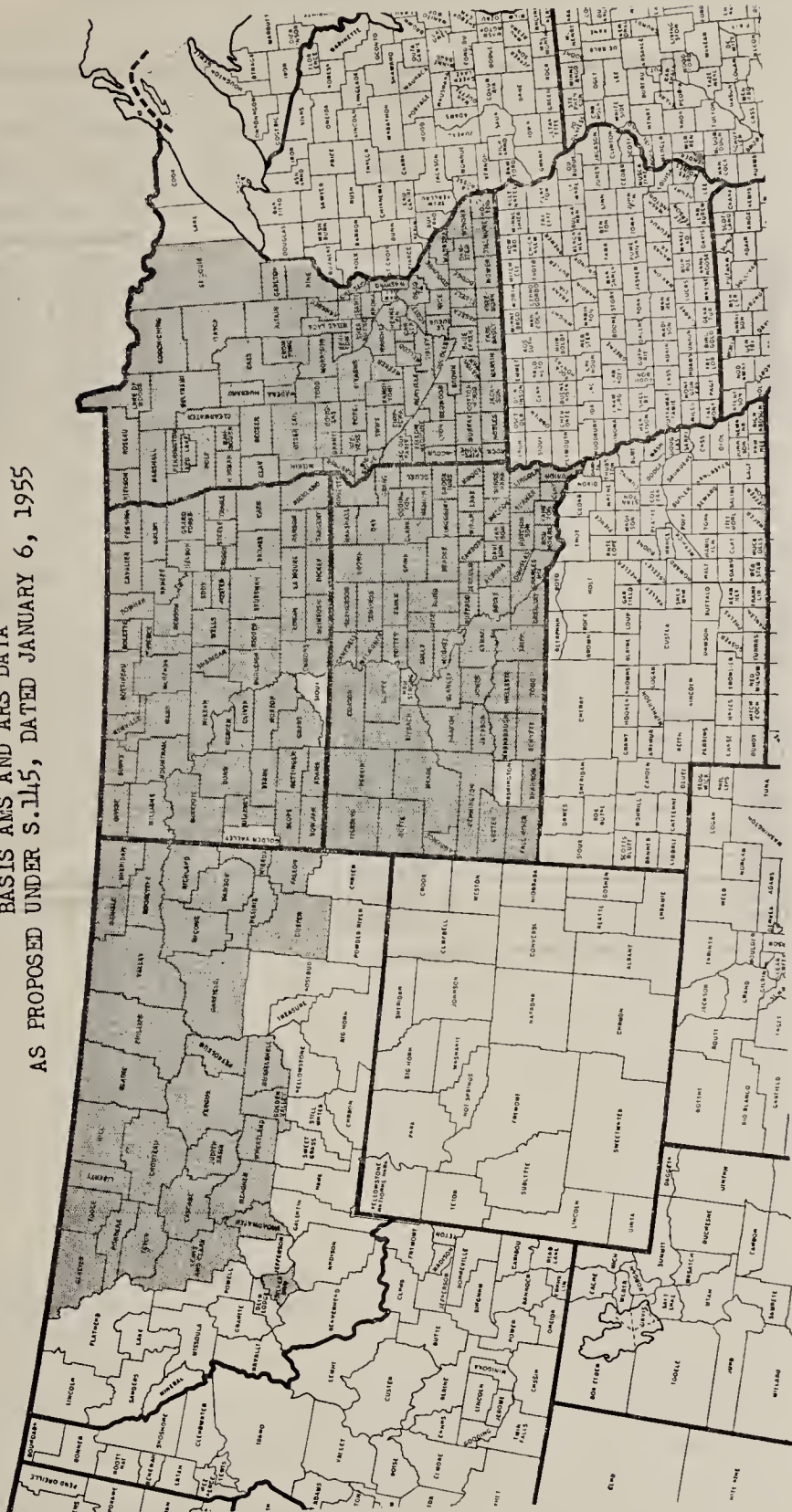


EXHIBIT D

Durum wheat (all Durum including Red) for States of Minnesota, North Dakota, and South Dakota

Year	Planted	Har-vested	Yield per planted acre	Year	Planted	Har-vested	Yield per planted acre
	<i>Thousand acres</i>	<i>Thousand acres</i>	<i>Bushels</i>		<i>Thousand acres</i>	<i>Thousand acres</i>	<i>Bushels</i>
1935.....	2,428	2,228	10.5	1945.....	2,026	2,004	16.2
1936.....	3,555	1,543	5.3	1946.....	2,493	2,453	14.4
1937.....	3,214	2,785	8.7	1947.....	2,975	2,948	14.9
1938.....	3,793	3,484	10.5	1948.....	3,278	3,220	13.8
1939.....	3,128	2,965	10.4	1949.....	3,767	3,570	10.4
1940.....	3,371	3,029	9.6	1950.....	2,918	2,829	12.8
1941.....	2,598	2,524	15.6	1951.....	2,586	2,518	13.4
1942.....	2,155	2,109	19.1	1952.....	2,328	2,174	9.7
1943.....	2,136	2,078	15.7	1953.....	2,103	1,865	6.2
1944.....	2,099	2,057	14.1	1954.....	1,658	1,327	3.4

EXHIBIT E

MACARONI IMPORTS

<i>Macaroni imports (pounds)</i>	<i>Macaroni imports (pounds)</i>
1940.....	875,000
1941.....	602,000
1942.....	33,000
1943.....	156,000
1944.....	185,000
1945.....	285,000
1946.....	497,000
1947.....	793,000
1948.....	717,000
1949.....	689,000
1950.....	862,000
1951.....	981,000
1952.....	2,749,000
1943.....	2,343,000
1954—January.....	290,215
February.....	398,977
March.....	93,287
April.....	336,200
May.....	236,807
June.....	200,374
July.....	194,748
August.....	159,758
September.....	309,720
October.....	744,472
10-month total.....	2,964,558
1940-49 average.....	483,200

Source: U. S. Department of Commerce.

EXHIBIT F

Cash prices for Durum and spring wheat, Minneapolis

[From U. S. Department of Agriculture Grain Market News. Price per bushel]

	No. 2 Hard Amber Durum	No. 1 Dark Northern Spring		No. 2 Hard Amber Durum	No. 1 Dark Northern Spring
<i>1953</i>			<i>1954</i>		
Week of—			Week of—		
Jan. 7.....	\$3.01	\$2.37	Jan. 7.....	\$3.78	\$2.39
Jan. 14.....	3.06	2.38	Jan. 14.....	3.83	2.37
Jan. 21.....	2.99	2.37	Jan. 21.....	3.85	2.39
Jan. 28.....	2.98	2.37	Jan. 28.....	3.85	2.40
Feb. 4.....	2.97	2.37	Feb. 4.....	3.92	2.40
Feb. 11.....	2.92	2.34	Feb. 11.....	3.86	2.42
Feb. 18.....	2.96	2.39	Feb. 18.....	3.71	2.43
Feb. 25.....	2.95	2.39	Feb. 25.....	3.61	2.42
Mar. 5.....	3.00	2.37	Mar. 5.....	3.56	2.40
Mar. 11.....	3.13	2.39	Mar. 11.....	3.46	2.39
Mar. 18.....	3.06	2.41	Mar. 18.....	3.53	2.40
Mar. 25.....	3.03	2.39	Mar. 25.....	3.65	2.39
Apr. 1.....	2.90	2.35	Apr. 1.....	3.62	2.38
Apr. 8.....	2.95	2.39	Apr. 8.....	3.62	2.39
Apr. 15.....	2.96	2.39	Apr. 15.....	3.62	2.33
Apr. 22.....	2.96	2.38	Apr. 22.....	3.57	2.37
Apr. 29.....	2.97	2.39	Apr. 29.....	3.48	2.38
May 6.....	2.98	2.40	May 6.....	3.33	2.34
May 13.....	3.01	2.39	May 13.....	3.23	2.34
May 20.....	2.90	2.36	May 20.....	¹ 3.10	2.30
May 27.....	2.93	2.40	May 27.....	3.10	2.29
June 3.....	2.86	2.39	June 3.....	3.10	2.28
June 10.....	2.89	2.38	June 10.....	3.10	2.30
June 17.....	2.79	2.28	June 17.....	3.15	¹ 2.23
June 24.....	2.79	2.30	June 24.....	3.35	2.27
July 1.....	¹ 2.70	2.14	July 1.....	3.50	2.31
July 8.....	2.81	2.26	July 8.....	3.62	2.36
July 15.....	2.88	2.30	July 15.....	3.72	2.35
July 22.....	3.06	2.20	July 22.....	3.85	2.34
July 29.....	3.00	2.18	July 29.....	3.91	2.34
Aug. 5.....	3.15	2.34	Aug. 5.....	3.91	2.41
Aug. 12.....	3.50	2.10	Aug. 12.....	3.91	2.39
Aug. 19.....	3.40	¹ 2.05	Aug. 19.....	3.91	2.38
Aug. 26.....	3.50	2.17	Aug. 26.....	3.96	2.43
Sept. 2.....	3.42	2.24	Sept. 2.....	4.31	2.49
Sept. 9.....	3.52	2.31	Sept. 9.....	4.35	2.55
Sept. 16.....	3.65	2.32	Sept. 16.....	4.35	2.67
Sept. 23.....	3.67	2.31	Sept. 23.....	4.35	2.54
Sept. 30.....	3.67	2.32	Sept. 30.....	4.35	2.58
Oct. 7.....	3.67	2.29	Oct. 7.....	4.40	2.62
Oct. 14.....	3.67	2.34	Oct. 14.....	4.40	2.54
Oct. 21.....	3.75	2.38	Oct. 21.....	4.40	2.55
Oct. 28.....	3.85	2.34	Oct. 28.....	4.45	2.56
Nov. 4.....	3.70	2.36	Nov. 4.....	² 4.55	2.47
Nov. 10.....	3.80	2.40	Nov. 10.....	4.55	2.51
Nov. 18.....	3.65	² 2.75	Nov. 18.....	4.45	² 2.96
Nov. 25.....	3.67	2.75	Nov. 25.....	4.25	2.91
Dec. 2.....	3.67	2.72	Dec. 2.....	4.25	2.93
Dec. 10.....	3.75	2.71	Dec. 10.....	4.25	2.94
Dec. 16.....	² 3.87	2.64	Dec. 16.....	4.20	2.87
Dec. 22.....	3.82	2.66	Dec. 22.....	3.90	2.86

¹ Low.² High.

Mr. McCONNELL. The Department, I believe, has studied this thing over a period of several years, and endorses this method of approach of solving this problem.

Most of the figures were brought out by previous testimony, which we have in here.

It seems to us that it allows a considerable amount of freedom for difficult adjustment for farmers to make. They have to have considerable amount of freedom to do that.

Being for 1 year, it gives us a chance to work at the problem and to come back and reconsider it for another year.

It is confined to these four States named: North and South Dakota, Minnesota, and Montana.

It is also confined to the counties which have a historical background of growing suitable milling durum.

I think that is about all I need to say on it.

The CHAIRMAN. As I tried to point out a while ago, under the pending measure the producers could qualify for additional allotments of wheat, for durum wheat, without being required to devote any part of their original allotment to the growing of durum wheat.

Would you say that that provision ought to remain as is or should it be modified to have the farmers who intended to plant durum wheat this year, to cause them to plant as much as they would have ordinarily planted, and to let this excess be really in excess of what they were planting? What is your idea on that?

Mr. McCONNELL. That language should be examined very carefully, I think. I want to take a look at the language more carefully, to see just what would happen before committing myself on it.

Mr. WALKER. May I comment on that a moment?

The CHAIRMAN. Yes. Will you come forward, please?

Mr. WALKER. My name is Thomas B. Walker, of the Grain Division of the Commodity Stabilization Service.

Senator YOUNG. Mr. Welker did a lot of the work last year on the amendment.

The CHAIRMAN. I would like to clarify this point.

Mr. WALKER. The point you are raising, Senator, is that the adoption of this bill would cause increased production of other types of wheat, since this would permit the planting of durum wheat in excess of the allotment.

I think we ought to take a look at just what the program now is. Any producer, whether he is in North Dakota or in Texas, can produce any type of wheat that he chooses, within the allotment.

The durum wheat producer in North Dakota, as of today, under the program can plant all of his allotment to hard spring wheat and seed no durum wheat within the allotment.

The CHAIRMAN. You say he can do that—do you think he would?

Mr. WALKER. No, I do not think most of the durum wheat producers in the triangle of North Dakota would do that—

The CHAIRMAN. That is the point.

Mr. WALKER (continuing). Because they are durum wheat producers. They would plant some durum wheat, of course, within the allotment.

Senator YOUNG. Some, but not very much.

Mr. WALKER. They would not plant much. They cannot afford to take the risk any longer.

The production of only 5,500,000 bushels of durum wheat in 1954 is about the last straw, as far as we can see, for the durum wheat producer, unless he has some outside inducement to take the risk.

The CHAIRMAN. And the way you are doing it here is by giving him additional allotments—that is what it boils down to.

Mr. WALKER. That is right.

The CHAIRMAN. In other words, what the durum wheat producer could do now is to plant his entire allotment, under the law as it now stands, to wheat other than durum wheat, and then use this extra acreage for durum wheat?

Mr. WALKER. That is right.

The CHAIRMAN. All right.

Mr. McCONNELL. We will be willing to examine the language of that again.

The CHAIRMAN. I just wanted to make that plain for the record. I am just trying to bring out the facts.

Senator THYE. Mr. Chairman, while we are on that subject, I should like to say that it is a commonsense factor that with the rust being as prevalent as it has been in these recent years, and as long as we have not eliminated the rust or have not bred up the wheat to where it is rust resistant, the chance is only 1 out of every 10 of getting a crop. Therefore you have not had the durum wheat production. And without the durum wheat production you have gone elsewhere to import the wheat.

You are going to put the Department of Agriculture experimental station to the task of breeding a better quality of durum wheat to resist rust, you are going to have to place an incentive here, or you are going to go out of the United States to find the durum wheat needed. The question is just that simple.

I do not represent a State that grows much durum wheat; that is, I think, confined to the Dakotas and to Montana and West. I am only putting the commonsense argument before you, so that you can examine it from that standpoint.

You are right, if a man can grow other wheat and have the durum acreage as a plus, you are breaking down the control factor that you have in the limited acreage allowed to be planted.

The CHAIRMAN. That is what I was trying to bring out.

Senator THYE. But the commonsense argument here is that you see no durum planted, because it is too hazardous a crop. And so you are today in a deficit position on durum wheat, with a surplus of other wheats, and you are importing wheat to meet your millers', bakers', and processors' needs.

Senator AIKEN. Will you yield?

Senator THYE. I will be delighted to.

Senator AIKEN. I notice by the map connected to Mr. McConnell's statement, all but two counties in Minnesota would be authorized to produce durum wheat, outside the wheat quota. The point you are making is that you do not think they would take a chance on doing it.

Senator THYE. I just simply said that I have to approach this from a commonsense standpoint. Minnesota is not a predominantly wheat-producing State. Certainly it would not produce durum wheat, because it is too hazardous. We will not plant any spring wheat in Minnesota excepting in the extreme western tier of counties, because it is too hazardous when you get back into the central part of Minnesota. For that reason we in Minnesota would not plant durum wheat except that it was as a sort of an incentive permissible acreage. I would not argue it from that standpoint, because I cannot see any sense in having a surplus of spring wheat and winter wheat, and a shortage of durum wheat requiring us to import to keep our processors from going out of business.

I only have to apply to my argument here and to my reasoning the plain commonsense factor that if you have a plant that is highly susceptible to rust and you have not overcome that by experimental

breeding, why, you have just got to take another step. That step is an incentive to get the needed acreage, because otherwise I doubt if you are going to get the durum wheat we now require.

The CHAIRMAN. As was pointed out previously, Senator, this past season about 1.5 million acres were planted to durum wheat. I thought there were more acres than that.

Senator THYE. We are short.

The CHAIRMAN. It would mean if this bill is passed, as written, that those who have planted 1.5 million acres of durum wheat last year could plant this 1.5 million in wheat we now have in surplus and use this extra acreage for durum wheat.

Senator THYE. That is the danger that lies in the whole argument.

The CHAIRMAN. Not only the danger, but that is what is going to happen, because your law as it now stands, as I—

Senator THYE. I would not say that it would happen, because areas in North Dakota and Montana are not exactly a complete hazard area in which to grow durum wheat. You can get by, excepting in a year when all factors are favorable to an increased rust infection. Senator Young will speak with more knowledge of the situation in North Dakota than I would.

Senator YOUNG. Mr. Chairman, even with the legislation I introduced last year, and this committee approved, durum wheat producers in my State were not too happy with it. Our durum wheat producers would much rather restrict this durum wheat production to our area, if you could keep out imports. That would mean \$4, \$5, or even \$6 durum wheat. Our farmers realize they have an obligation to meet the durum wheat requirements of the Nation. If we do not do that, we cannot expect to keep out imports.

If you polled our farmers out there as to their choice of this bill or nothing at all and to keep out imports, they would say, "No legislation at all." It would mean higher prices in the future. They would not plant as much, of course. They would wait until rust-resistant varieties come along in sufficient quantity.

It is only a 1-year bill. There is a limit on the amount of seed you can get. The seed is very high priced. Ordinarily it costs about \$3 or \$3.50 per acre for seed wheat.

This year, if he plants a bushel and a half to the acre, which is customary, it will cost him about \$6 an acre for his seed alone to plant a crop that he has a small chance of even getting a reasonable production on.

You certainly are right that it may result in some increase in spring wheat production. It will mean a decrease, however, in some oats and barley and rye, and other crops which are presently in surplus.

If you listen to all of the witnesses here from the macaroni industry and the Farm Bureau and the farm union witnesses and the others familiar with this, I think you will find all of them agree that this is the only possible way, the first step at least, in getting the necessary increase in production.

Senator HOLLAND. Do you mean by your statement that the farmers who produced durum wheat would not only prefer this bill, as now introduced, to last year's arrangement, but if they cannot get something like this suggested bill for this year they would rather have no special treatment at all?

Senator YOUNG. Quite naturally, anyone would like to have as big a price as possible. If you have no legislation at all, there would not be much durum wheat planted. If you could keep out imports, durum-wheat prices would probably go as high as \$10 a bushel.

Senator HOLLAND. This proposed legislation which you have introduced is more acceptable to the durum-wheat producers than the amendment now on the book; is that it?

Senator YOUNG. Yes.

Senator HOLLAND. And sufficiently so that if they cannot get this amendment, they would rather have no special treatment at all?

Senator YOUNG. That is right.

Senator HOLLAND. They would rather not have the amendment of last year continued?

Senator YOUNG. Yes; they would. They figure that will help some. Even that legislation was unpopular with many of our durum-wheat producers last year. They realize now they have this obligation of providing the durum wheat for the macaroni industry. They realize that this is the only way you can get it.

A year ago this bill here would have been very unpopular with our strictly durum-wheat farmers.

Senator HOLLAND. To get the record completely clear, the farmers would prefer the measure now on the books to leaving the question wide open, but they would prefer the one that you offer to the one now on the books?

Senator YOUNG. That is right; yes, sir. I think these farmers out there take a very broadminded viewpoint of this thing. They realize that in order to keep out imports they are going to have to try somehow to provide the market with the necessary amount of durum wheat. They are willing to let other farmers in Montana and South Dakota and Minnesota who have not produced durum wheat in the past, to produce it now, in order to try to produce enough for the market requirements.

The CHAIRMAN. Is it not true that the essential difference between the law we passed last year and the suggested bill is that under the law last year the farmers were restricted in the planting of durum wheat, in that they had to plant a certain percentage of their past plantings?

Senator YOUNG. That is correct.

The CHAIRMAN. This year that restriction is removed—that is about all that this bill does?

Senator YOUNG. It goes much further than that.

The CHAIRMAN. That is the essential thing.

Senator YOUNG. No. Under the provisions of the old law of last year, in order to take advantage of it, he had to have a durum-wheat production in his base period.

The CHAIRMAN. And he had to plant a certain amount of what he planted in the past?

Senator YOUNG. This will permit him—thousands of farmers in the four-State area—to produce durum wheat who never produced it before. If his county had durum-wheat production historically, he is given this allotment.

Senator HOLLAND. That is, the record of the past 10 years?

Senator YOUNG. Yes.

Senator HOLLAND. Whereas the provision we passed last year is on the basis of a 3-year history?

Senator YOUNG. Yes.

Senator SCHOEPEL. Mr. Chairman, I would like to make this observation. I think we might just as well recognize—and I speak as one who is friendly to this legislation—that this enlarges the acreage areas for durum wheat. It permits, if I understand correctly, the use of the restricted acres to go to durum.

Senator YOUNG. Even beyond that.

Senator SCHOEPEL. Yes. That would permit, as has been brought out here, the planting to other types of wheat that are in long supply to grades of wheat other than durum wheat, if they so elect to do.

Senator YOUNG. May I interject this statement: The wheat produced in this area really is not in long supply. I sold my wheat the other day for a premium of about 15 cents over the support levels of spring wheat produced in that area, which is selling at quite a premium. There is not an over-supply of that type of wheat.

Senator SCHOEPEL. Company milling wheat?

Senator YOUNG. That is correct.

Senator SCHOEPEL. That is the reason for some concern on the part of wheat producers in other sections of the United States, including my State, as to what the impact of this might be on the over-all supply situation of wheat, as we find it today.

Senator YOUNG. If there were 10 million bushels of durum-wheat seed available, I think you would have real reason for concern.

The acreage is limited very much by the amount of seed available to the total. There is not probably over 2,500,000 bushels of seed available in the United States.

Senator SCHOEPEL. I appreciate all of that. The point is well made and well taken. Inasmuch as it is limited to 1 year, which I do want to stress, it is a consoling factor to those who raise the question with us, that this additional acreage, now out of wheat production because of the quotas, should go into other grades of wheat. Then there would be some question raised as to breaking down in some other areas of the country, their rights to a market.

I do not, however, think that that is so serious because it is limited to this one year. If we do not get this durum-wheat production it is going to come from without the continental United States.

Senator YOUNG. Far more dangerous to you and me, representing the two principal wheat-producing States, is that the only other alternative is to permit imports. They probably would be permitted.

We now have the 800,000 limitation on imports, which has been lived up to. If we ever increase this quota, we are defeating ourselves.

Senator SCHOEPEL. The Senator makes a very good point. If our failure to pass this legislation would permit of increasing the quotas, then I would say we are in a different predicament altogether.

I do think that this approach to it would be helpful in first preserving our American market and encouraging these people against rust damage, to scatter these bets which they could better care for, rather than to be restricted to that particular production only, with some type of restriction that might not fit the needs and requirements of the area. I do want to say and point out that with this 1-year limitation we have a safeguard that we can take another look at. I would

not want to see this time extended until we see what the development will be under this act.

Senator HOLLAND. In order that the record may clearly show that the increased acreage would, under this proposed amendment, be not considered in establishing future State, county, and farm acreage allotments, which is similar to a provision in the last act, I am going to ask that the provisions on that point be copied into the record from both the proposed amendment and the last act. In the last act, it being the last sentence of subsection (e) of section 4.

(The sentence in subsec. (e) of sec. 334 of the Agricultural Adjustment Act of 1938, as amended in S. 145, is as follows:)

The increase in wheat acreage allotments authorized by this subsection shall be in addition to the National, State and county wheat acreage allotments, and the acreage of class II durum wheat thereon shall not be considered in establishing future State, county, and farm acreage allotments.

(The sentence in subsec. (e) of sec. 4 (sec. 334 of the Agricultural Adjustment Act of 1938, as amended, in Public Law 290, 83d Cong.) is as follows:)

The additional acreage required by this subsection shall be in addition to the national acreage allotment, and shall not be used to increase the acreage allotment applicable to other wheat produced on farms for which such additional acreage has been allotted, nor shall such acreage be considered in establishing future State, county, and farm acreage allotments.

Senator HOLLAND. I want to ask Mr. McConnell this one question, if I may. What, in the opinion of the United States Department of Agriculture, is the advantage of this proposed amendment as incorporated in this bill, as compared with continuing through this year the amendment of last year, which was designed to continue through this year? In other words, what improvement of the situation—and I think everybody on the committee wants to improve it and get sufficient durum produced domestically to meet this problem—what improvement of the situation would be made by adopting the proposed measure rather than continuing under the existing amendment, which we adopted last year?

Mr. McCONNELL. I think, Senator, that the purpose of the legislation is not to permit farmers necessarily to grow more wheat but to save the durum wheat industry, which includes the millers and the manufacturers of alimentary paste products. Under this proposed legislation we will get more durum wheat grown, which is your main objective, than you would under the other.

Senator HOLLAND. The proposed measure appreciably affects the problem of wheat production in other varieties, does it not?

Mr. McCONNELL. Well, I think it possibly would in a minor way, but I think the advantage of getting the durum wheat will offset that, particularly, as the Senator brought out, you are in an area where the types of milling wheat, which are more in demand, are not in oversupply.

Senator MUNDT. In 1954 there were only 600,000 bushels of durum wheat raised outside of North Dakota. Can you tell us, or give us a breakdown of where that wheat was raised in 1954, how much in each State?

Mr. McCONNELL. I think it is here. Mr. Walker could comment on that.

Senator MUNDT. Will you tell us, Mr. Walker?

Mr. WALKER. It is with Mr. McConnell's exhibits here. You will find table No. 1.

Senator MUNDT. What page is that on?

Mr. WALKER. It is table 1 of this exhibit, and down at the bottom of that table we have the planted acreage and the acreage harvested in three of the major States, showing the yield per planted acre and the production, but this does not break it down to show how much was produced in Minnesota, how much in South Dakota, or in Montana.

Mr. Talbott, do you have the figures on the amount of acreage we had in those States in production?

Mr. TALBOTT. No.

Mr. WALKER. We have these, which are the 10-year average. This is a 10-year average of production. Rather, this must be acreage.

Senator MUNDT. I asked for the number of bushels raised outside North Dakota. I would like to know where they came from. There are many unaccounted for.

Mr. WALKER. Let us look at exhibit B, in Mr. McConnell's statement. You will notice that in Montana we had 84 farmers who entered into last year's program, the 1954 program; Minnesota had 273 who participated; South Dakota had 686 who participated; North Dakota, 10,589 farmers.

Senator THYE. Mr. Chairman, you will find extra allotments to Minnesota. That relates to what my reasoning was, that common-sense just tells us that a man will not plant that wheat because of the hazard that is involved. You notice that extra allotment not used were 53 percent for Minnesota; 62 percent for South Dakota; 69 percent for North Dakota; 28 percent for Montana. That is the whole argument that I raised.

Mr. WALKER. Continuing further, if you look in column 7 of this table, you will see the maximum extra allotment assigned under the program in Minnesota was 7,414. And as you say, only 53 percent. Only 15.6 percent of that was actually utilized by the producers in Minnesota.

Senator MUNDT. That still is not responsive to my question as to where you got the 600,000 bushels. You are talking about acreage, you are talking about planting. I am talking about harvesting.

Mr. WALKER. We will have to get that. Apparently, we do not have that here.

Mr. TALBOTT. We will have to send it to you. We do not have it with us.

Mr. WALKER. We will produce that for you.

Senator MUNDT. Will you put it in the record at this point?

Mr. WALKER. We will supply it.

(See p. 52.)

The CHAIRMAN. Are there any further questions?

(No response.)

The CHAIRMAN. If not, we thank you, Mr. McConnell, very much.

Mr. WALKER. I would like to make one comment, if I might, Mr. Chairman.

The CHAIRMAN. Yes, sir. Proceed.

Mr. WALKER. On the last question being discussed—the question asked of Mr. McConnell was—What would be the benefit of this proposed bill as compared to the one existing?

If we go forward with a program similar to that which we had for the 1954 crop, it is my opinion that we would certainly have less durum wheat seeded than we had in 1954.

If this bill is passed, it is my opinion that wheat producers will probably increase the acreage of durum wheat to around 2 million acres, and maybe slightly more. The limiting factor will be seed.

The CHAIRMAN. You mean over and above last year?

Mr. WALKER. No; the total.

The CHAIRMAN. You had 1,500,000 last year.

Mr. WALKER. Now what I am saying is that if we go forward with the same program as we had in 1954—

The CHAIRMAN. Is that right?

Mr. WALKER (continuing). We will get less than that 1,500,000, because, really, when you require the durum-wheat producer to plant his pro rata share of his current allotment in hard spring wheat, he is going to think twice before doing that again. Under the present law, he can seed his entire allotment to hard spring wheat, that would not be changed by the proposed S. 145.

Senator AIKEN. What this does, then, is really to encourage the use of the diverted acres for the production of the durum wheat?

Mr. WALKER. That is it, exactly.

Senator AIKEN. It would mean less barley, oats, rye, and flax.

Senator HOLLAND. Are we to understand from your testimony and that of Mr. McConnell that the Department of Agriculture prefers the proposed measure to the existing one and recommends its adoption?

Mr. WALKER. That is right.

Mr. McCONNELL. Yes.

The CHAIRMAN. Are there any further questions? Have we any further use of Mr. McConnell?

Senator YOUNG. No, I think not. We can keep Mr. Walker and Mr. Talbott here.

Congressman Burdick is here. Do you want to testify?

Mr. BURDICK. I will testify to what I know.

The CHAIRMAN. Will you please step forward, Mr. Burdick.

You may proceed, Mr. Burdick.

STATEMENT OF HON. USHER L. BURDICK, A REPRESENTATIVE AT LARGE IN CONGRESS FROM THE STATE OF NORTH DAKOTA

Mr. BURDICK. Mr. Chairman and members, while I am not personally concerned with durum wheat in my section in North Dakota, I live in the extreme western part—we could not raise durum wheat if we wanted to—but from Rugby, which is about the central part of the State, east, there is a strip of territory where they raise a great deal of durum wheat.

I have noticed during the past 2 or 3 years that the durum men have been pretty well reduced in enthusiasm by the rust. They first started in with a plant that was rust resistant. To keep it that way, they pulled up all of the barberry bushes in North Dakota, and then they discovered after they got them pulled up that they still had rust.

So they are going to start in on some other bush next year.

Rust, from my experience of 70 years in North Dakota is, if the weather is right, you will have rust. The lower your altitude, the more rust you will have. In the mountainous part of the Dakotas,

where I live, even when the rest of the State is rusted out, we have very little of it because we have high altitude. Whenever you have a condition like they have in the Red River Valley, which I think is about 700 feet above sea level—when the weather is cloudy and there is no air stirring and no rust in sight, you will have it, if that keeps up a couple of days, no matter what bush it comes from.

If we could make arrangements to use these precluded acres from the other wheat that have to stand idle and let these durum-wheat men experiment and take a risk, take a chance, we might get more durum wheat. It will be a chance, however. I would like to see it done. I would like to let them have that chance.

I am testifying from the point that there is no particular interest to my western half of North Dakota.

The CHAIRMAN. I think you have expressed the sentiment of most of us around this table. The only thing was that, with others, I was trying to bring out all of the facts and implications.

Are there any further questions?

(No response.)

The CHAIRMAN. If not, the next witness is Mr. Nordhogen.

Senator YOUNG. I would like to say that I have had the pleasure of serving with Mr. Nordhogen in the North Dakota State Senate for several years. He is an outstanding durum-wheat producer. There is one type under the name of "Nordhogen," developed by his father.

STATEMENT OF ORRIS NORDHOUGEN, LEEDS, N. DAK.

Mr. NORDHOUGEN. Mr. Chairman and members of the committee, might I take just a brief moment to give you the history of durum wheat? I think that maybe it will answer the questions that might be prevailing in some of the Senators' minds.

To start with, durum wheat was introduced in North Dakota about 40 years ago. It was introduced from Russia, from the Soviet areas. As the Congressman just testified, it was known as a so-called rust-resistant wheat.

Durum wheat has had its ups and downs for quite some number of years. Starting along about 1917, it gradually was on the increase, so that the acres planted throughout North Dakota were greater each and every year. Why? Because it was a good and hardy, thrifty plant. It had a good root system. It would prevail in the so-called arid areas of North Dakota to better advantage, because we who live in the area where durum wheat is mostly grown are in a semiarid area where the rainfalls are rather spotty, perhaps from 14 to 17 inches during a given year.

Usually under those conditions you will find durum wheat will produce in yield 2 to 3 bushels more than spring wheat under the same conditions.

Things have changed in the latter years because of different methods of farming, fertilizing, et cetera, but by and large, I feel certain, having grown durum wheat all of my adult life and as a boy planted much of it for my father, I am safe in saying that durum wheat will hold its own under adverse conditions better than spring wheat.

That is why we in the area that I live in, which is in the heart of the durum triangle, have gone more to durum than spring wheat because of that same condition.

Durum wheat has had its so-called demand as to durum growers—the demand asked of them by the processors for a good, top-quality durum.

Much education, much work, has gone on in the last 20, 25 years, and more recently than that there has been much educational work done to grow a pure, an amber durum, so that when the miller buys it from the producer he, in turn, will be able to mill semolina flour to such a quality that the macaroni manufacturers will pay a premium for it. And I am satisfied that in every instance that the sales of the finished product, macaroni and spaghetti, because of the amber qualities that we have grown in the area, will likewise command top consideration from the consumers.

What might we classify as the durum triangle? I will be brief. I think it will bring up to the point. The durum triangle constitutes an area in North Dakota of some 18, 19 counties. Those counties are areas in which because of the conditions just mentioned, the semiarid area, because of the acquaintance of the producer with the durum wheat he wishes to grow, and because of the things I mentioned, and again because of soil and climatic conditions, this area being adapted to the growing of durum wheat, became known as the durum triangle.

I have before me a few counties that I wish to place in the record: Cavalier County, which is the king of the durum-wheat-growing area, Towner, Ramsey, Benson, Wells, Nelson, Bottineau, Rolette, Pierce, and Walsh.

Gentlemen, those 10 counties, with a 10-year average from 1944 to 1953, produced 1,498,000 acres of durum.

Senator THYE. May I ask this question: Those counties lie where in North Dakota?

Mr. NORDHOUGEN. In the north central part of North Dakota.

Senator THYE. Cavalier is up in the northeast corner of the State?

Mr. NORDHOUGEN. The north central, northeast corner.

Senator THYE. And then it comes down toward Jamestown?

Mr. NORDHOUGEN. Yes, that is about right.

Again, gentlemen, the so-called boundary counties of the triangle have also grown durum. I think that every county in North Dakota has a durum history at some time or another.

The 10-year average for North Dakota acres is 2,337,000 acres. In South Dakota—Senator Mundt, I might make this mention—their 10-year average is 269,000, that is, acrewise. Minnesota, approximately 50,000, and Montana, roughly 100,000. That is the 10-year average from 1944 to 1953.

Senator MUNDT. We have some of that rainfall that you talk about. We must lack something else.

Mr. NORDHOUGEN. Soil and climate is the big factor which has centralized the growing of durum-wheat in this immediate area. I think the other gentlemen testifying will bear me out in that statement.

Senator MUNDT. Do you agree with the implications of the remark that this whole barberry program was wasted effort? We voted for a lot of money for barberry eradication. An old wheat farmer like you agrees with that, do you not?

Mr. NORDHOUGEN. Yes; I do, Senator. Might I say that in 1954 the planted acres throughout of durum in the whole United States, to my understanding, was approximately 1,700,000 acres; and harvested acres, approximately 1,300,000 acres. I bring that to your attention,

because we who have made it a business of durum-wheat growing, in the heart of the triangle, know what it has done for us in the past.

Everyone who knows anything about its growing, likewise stays with it because of its performances.

In 1952, it developed that we lost some considerable yield. That was after the grain was severed from the soil. The crops were damaged considerably by wet weather. The rust that year did not do too big a damage, but the durum production in 1952 was small, about 22 million bushels. In 1953, the first year of the so-called 15b rust epidemic, throughout the Northwest it hit durum definitely very hard. Production of durum wheat totaled approximately 13,900,000 bushels that year.

As has been mentioned at this hearing today, in 1954 the total yield was roughly approximately 5.5 million bushels.

Might I say that the elements of nature in the 2 years of 1953 and 1954 were very, very adverse throughout the Northwest? The reason being that the season was extremely backward. In the spring it was a cold and dry season. Then after the coldness disappeared, and it started to warm up, we ran into much more rainfall than normal. The same thing applied in 1954.

This last year, in 1954, there was much durum seed planted at seeding time that did not emerge as a sprout for a period of about 5 weeks. Therefore, the so-called backwardness of the plant in emerging from the ground had a lot to do with the plague rust hitting it, because the rust had a very early strike at our crops, this year, possibly 2 weeks earlier than the season of 1953.

The backwardness of the growing season and the opportunity for the rust to make its strike earlier so that for these reasons we were hit that much harder.

I represent at this hearing today a group of durum-wheat growers that met in Devils Lake, N. Dak. on December 31, 1954. These growers were from the 10 counties previously named, and this booklet which I am filing with the committee has the names and addresses of the growers, businessmen, and elevator operators that attended, totaling in number 140. They adopted the following resolution unanimously. If I may, I wish to read the same into the record:

Resolved by Mr. Hofstrand of Leeds, N. Dak. and Mr. Baeverstad of Cando, N. Dak. moved its adoption:

That the committee that goes to Washington also contact Mr. Talbott of the United States Department of Agriculture with power from this group to see what can be accomplished with regard to plans that were proposed in the durum meeting held in Fargo, in August 1954, an inducement plan for the producers who continue to grow durum, this season of 1955.

Durum wheat necessitates a longer growing season than spring wheat. For that reason there has been a little shift from durum wheat to spring wheat in the last 5 or 6 years which has, generally because of its harvesting nature. And the difference in growing season which would be maybe 10 days to 2 weeks.

The agricultural folks representing the North Dakota Agricultural College, representing the farm organizations have for the past 6 weeks been advising the farmers throughout the Northwest—that means the State of North Dakota—that the possibility of the threat of another rust epidemic could be there. When we say “could,” that

covers quite a latitude, because again the spring-season climate will have a big bearing. If we get a good, warm spring it is likely that the season might be favorable and we could go along without that threat of rust and without being afflicted.

So the thinking of the durum growers throughout the area is that as of now the potential planting in 1955 will be very, very low.

I go along with the contemplation that it's likely only 35 to 40 percent of the 1954 acreage.

I believe and feel in the passage of S. 145 this legislation will do much, in fact it will be the answer to cooperate with the millers and with the processors to get additional acres planted to durum, not only in North Dakota, but throughout the Northwest, where the conditions are more favorable.

There must be an incentive—it is the thinking of many of the growers. This piece of legislation will help in many instances, and in many it will not, because again one cannot afford the risk.

Might I say for my own personal operations, with over 2,000 acres in crop last year, about 35 percent of that was not harvested.

I wish to read into the record the returns from one-half section of land that is right in the heart of the durum-producing area in which there was 230 acres of durum during the past year.

There was not a kernel harvested because of these conditions cited.

I was fortunate enough to have it insured. That base insurance was on the basis of 7 bushels to the acre. My net was \$1,361. I mention that briefly because I want to cite what the durum grower is up against.

I owe \$6,000 on this one-half section of land. I pay 4 percent interest, which is \$240.

The seed would run about \$6 an acre as of last year. One goes into the hole. It is just a typical example of what the farmers are up against.

I wish to conclude this statement by saying that the North Dakota farmer who understands the growing of durum wheat, who lives in the area that is designated within the durum triangle, having the soil, having the climatic conditions when normal and with elements all being favorable, we can do the job and will do the job in producing durum wheat.

I wish briefly, Senator Young, to present this newspaper, which is a publication of January 1 of the Fargo Forum, which gives the rainfall throughout the State, which bears out the climate situation in which the durum triangle had double the rainfall this past year that we have had under normal conditions.

That, without any question, has a big bearing in the so-called rust plague that took our crop.

We have other evidence that we could read into the record, but the time is short. I only hope that I have not been repetitious. I thank you.

The CHAIRMAN. Are there any questions? Thank you very much.

I wish to insert in the record at this point a statement by Senator Case, who is unable to be present, and a letter from Congressman Fjare, who is also unable to be present, who is from the Second District of Montana.

(Statements of Senator Francis Case and Congressman Orvin B. Fjare are as follows:)

STATEMENT FILED BY HON. FRANCIS CASE, UNITED STATES SENATOR FROM THE
STATE OF SOUTH DAKOTA

As a cosponsor of S. 145, to provide for increased durum wheat acreages by amending the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, I would like to present the following views:

For the past few years our durum wheat growers have been plagued with 15-B rust, which has greatly curtailed production of this product. The resulting shortages have been serious enough to warrant the Macaroni Manufacturers Association to file a petition with the United States Tariff Commission requesting import controls on durum wheat be suspended so that approximately 15 million bushels of durum wheat may be imported. Currently imports, fit for human consumption, are limited to 800,000 bushels of durum wheat and 4 million pounds of flour. I objected to the suspension of the import quota on durum wheat with a letter to the Commission on December 27, 1954:

HON. EDGAR B. BROSSARD,

Chairman, United States Tariff Commission, Washington 25, D. C.

DEAR MR. CHAIRMAN: Information has come to me that the Macaroni Manufacturers Association has filed a petition with the United States Tariff Commission requesting that import controls on durum wheat be suspended so that approximately 15 million bushels of durum wheat be imported. Currently imports, fit for human consumption, are limited to 800,000 bushels of wheat and 4 million pounds of flour. Further information indicates that the United States Tariff Commission will begin to consider the petition on January 11, 1955.

It is my judgment that a suspension of the import quotas to the amount petitioned for is unnecessary and not desirable for the reasons below:

1. There is today in this country a large surplus of wheat. Under existing legislation, effective for the 1955 crop year, the support price is being reduced, and the surplus which has become so burdensome requires the imposition of acreage allotments and marketing quotas. Any action that would tend to prevent a reduction of this wheat surplus will contribute to reduce the volume, price, and income of the wheat producers in this country, already a hard-pressed segment of our economy.

2. I appreciate the fact that durum wheat production in this country has been reduced, primarily due to rust. It is probably only temporary and that when next year's harvest is completed, ample supplies of durum wheat may be on hand to meet domestic needs and requirements. With the present premium prices being paid for durum, the American farmer will intensify efforts to meet the demand. It may require some changes in the present law dealing with acreage allotments and marketing quotas. But the American farmer should not be penalized by reducing his acreage and then almost in the same breath increase the import quotas on a product which he could supply if assured of the necessary protection for the risk involved.

3. There is no evidence that the American consumer is suffering any distress and that he is not able to get the durum wheat products—macaroni, spaghetti, vermicelli, noodles, etc., in the amounts ordinarily accustomed to. Information obtained from the United States Tariff Commission last week discloses that there are no import restriction on the finished product. The current duty of 1½ cents per pound on the product containing eggs or egg products, and 1 cent per pound if they could not, certainly is not a burdensome duty and does not greatly aid to the final cost of the products to the consumer. The only limitation on imports being that they must be from a friendly country. That is most laudable.

4. Durum wheat is in short supply throughout the world. For the United States to bid for the market, no matter how little the import quota may be raised, would tend to drive up the price to the foreign consumer, and at the same time reduce prices on all classes of American wheat, and discourage intensified efforts of American agriculture to meet local requirements. By increasing prices to foreign consumers, through the United States bidding for supplies, could very well create an ill will toward this country. Certainly it would be exploited to the fullest by Communists in those countries adversely affected.

5. The industry today is manufacturing a product by blending the available durum wheat with other types of wheat, of which there is a large surplus with no appreciable loss in quality. For that I wish to commend them.

For the reasons above, it is my considered judgment that the petition of the Macaroni Manufacturers Association should be denied.

Respectfully yours,

FRANCIS CASE, *South Dakota.*

On January 11, 1955, the chairman of the United States Tariff Commission, Edgar B. Brossard, advised me by letter that the Commission had discontinued and dismissed the supplemental investigation under section 22 (d) of the Agricultural Adjustment Act, as amended, with respect to durum wheat.

Since that time I have cosponsored S. 145 which is to provide increased durum wheat acreages by amending the wheat marketing quota provisions of Agricultural Adjustment Act of 1939, as amended. I have done so with the belief that our durum wheat growers in South Dakota, North Dakota, Montana, and Minnesota can well meet the durum wheat needs with increased acreages until such a time when the ravages of 15-B rust are better controlled by scientific methods or the development of a rust-resistant variety of durum wheat.

I appreciate this opportunity to present my views on this subject before the Senate Agriculture Committee.

LETTER FILED BY HON. ORVIN B. FJARE, A REPRESENTATIVE IN CONGRESS FROM THE SECOND DISTRICT OF THE STATE OF MONTANA

JANUARY 21, 1955.

HON. ALLEN J. ELLENDER,

*Chairman, Senate Agriculture Committee,
United States Senate, Washington, D. C.*

DEAR SENATOR ELLENDER: I would like to recommend to your committee that acreage controls on the production of durum wheat be substantially relaxed, or completely removed, for those areas that are known to be capable of producing high-quality durum.

Historically, Montana has been a producer of durum wheat, and is an area suited to the production of quality wheat. Montana has always been considered as part of the commercial wheat country, and it is not well adapted to the production of profitable crops other than wheat.

It is difficult for wheat producers in Montana to accept controls that are primarily aimed at the production of low-quality wheat, when most of Montana produces a high-quality wheat which is not in short supply.

I will appreciate your placing this statement in the record.

Yours very truly,

ORVIN B. FJARE.

Senator YOUNG. May I ask Mr. Nordhougen, if he wants these names placed in the record?

Mr. NORDHOUGEN. I believe that I would.

The CHAIRMAN. What is the purpose of it?

Mr. NORDHOUGEN. They represent 140 growers who spontaneously met at Devil's Lake, N. Dak., on the 31st day of December, at which this durum-wheat problem was discussed.

Senator YOUNG. Why not just file them for the record?

Mr. NORDHOUGEN. Yes; that will be all right.

The CHAIRMAN. I notice that we have seven more witnesses left. Are there any witnesses present who are opposed to the bill?

Senator SCOTT. This might be a good time to have some flexible support. That is the reason I am against it.

The CHAIRMAN. I wish to say that I notice several witnesses who are going to appear have statements. I would like to save repetition, if possible. I think the committee understands the problem pretty well.

I will ask the witnesses who will be called to cover new matter, if they can, not go over the same ground that has been gone over by previous witnesses, if that is possible.

The next witness is Mr. Mikkelson.

Senator YOUNG. I wish to say that Mr. George Mikkelson is an excellent farmer, as is the next witness, Mr. Olson, representing the farmers union.

Mr. Mikkelson lives right in the durum-wheat triangle and I think is one of the best-posted farmers in North Dakota on this problem.

The CHAIRMAN. You may proceed.

STATEMENT OF GEORGE H. MIKKELSON, VICE PRESIDENT, NORTH DAKOTA FARM BUREAU, GARSKE, N. DAK.

Mr. MIKKELSON. Mr. Chairman and gentlemen, I have a statement here which I would like to file. You have a copy of it. And in addition I will make some comments.

The CHAIRMAN. Very well, that will be inserted in the record at this point.

(The statement of George H. Mikkelson is as follows:)

STATEMENT FILED BY GEORGE H. MIKKELSON, VICE PRESIDENT, NORTH DAKOTA FARM BUREAU, GARSKE, N. DAK.

My name is George Mikkelson, of Garske, N. Dak. I own and operate a grain and livestock farm. My principal crop is wheat of which over 50 percent is seeded to durum. I am a State director of the North Dakota Farm Bureau and I am here to represent and speak for that organization. The bureau is glad to have this opportunity to present its position on the durum situation in general and its endorsement in particular of Senate bill 145.

Most of the durum raised in North Dakota is produced in what is often called the durum triangle. This area consists of about 20 counties of which Ramsey, my county is one.

The 1955 resolution of the North Dakota Farm Bureau reads as follows on the subject of durum:

"We recommend that there be no restrictions on the planting of durum wheat for 1955. These additional acres planted as a result of this plan may not be used in calculating future wheat histories. If imports of durum are permitted such imports should immediately stop when United States producers can again meet domestic needs."

Senate bill 145 is in general agreement with this resolution which was passed in November 1954, at the Bismarck convention of the North Dakota Farm Bureau.

As you know the durum industry is almost exclusively North Dakotan in character.

Last year the triangle as the area is called produced about 90 percent of the United States crop. I have limited most of my remarks to North Dakota production. Exhibits A-1 and A-2, however are excerpts from the semiannual durum letter of the Branch Market News Office, USDA, Minneapolis, for July 1954.

Exhibit A-3 is a production summary for the 9 years, 1945-53, covering 16 principal durum counties. In 1949, BAE took over crop and weather reports and stopped its own calculation of acreages by county in North Dakota. The figures 1950-53 are unadjusted data from assessors' surveys.

I have heard much speculation through the years on why this particular area of North Dakota produces such high-quality amber durum—whenever nature cooperates.

Reasons range from crisp summer nights, sudden changes in temperatures at sundown and sunup and the nature of the sunlight and soil. Take your pick.

Durum was one of my favorite crops for many years, or was until the onslaught of 15-B rust. Rust—plus spotty drought—now has many a farmer in the durum area looking at his hole-card and wondering if he should get out of the business.

Some county agents in the area have predicted a 50-percent slump in the 1955 production and this of course would be a severe blow to the industry.

When the manufacturers announced they would seek a 15-million bushel import quota from the Tariff Commission, prices in the triangle skidded as the few buyers got out of the market.

The Garske, N. Dak., elevator price on 51-pound durum ranged from \$3.41 to November 16, 1954, down to \$2.76 on December 22.

On 60-pound durum the spread was from \$4.16 down to \$3.51 in the 35-day period. During this time there was certainly no increase in the amount of available durum.

There is real doubt on the part of the growers that any such import would help the situation, particularly since we understand the import period would terminate May 28.

We have imported considerable durum from Canada, Newfoundland, and Labrador: 11½ million bushels in 1950 and almost 30 million in 1951. But this grain was at least supposed to be considered unfit for human use and since that time Canada has not been immune from the rust, drought, and unseasonable freeze that has plagued North Dakota.

Canada grows Windom and Carlton and other varieties familiar to us, except in western Manitoba where they grow some Polish durum for feed. Canada also grows some "goose" durum with a larger kernel used for puffing—Golden Ball and Pelissier.

As for Mediterranean durum, the cereal technologist at the land-grant college in Fargo tells us he has checked at least two samples in recent weeks from that area, with both of them being well below standard. These samples were run for private Chicago importers.

For these and other reasons, including insect infestation, the import plan was given up, to the general satisfaction of the producers.

The 1954 durum crop in North Dakota was the smallest since records were begun in 1924. It was figured at 4,976,000 bushels, an average of 4 bushels an acre.

This compares with almost 32½ million bushels in North Dakota in 1950 with a 13.5-bushel average; 28½ million in 1951 with a 13.5 average; 20 million in 1952 with an 11-bushel average; and 12 million in 1953 with a 7-bushel average.

Reference to exhibit A-1 shows a July 1, 1954, supply of 4,861,000 bushels in all positions, including 2,637,000 bushels on farms; 481,000 in country elevators, 344,000 in commercial stocks, and 1,399,000 in merchant mills.

The January 1955, durum letter is now in preparation but advance information shows mill grindings of 3,578,000 bushels, commercial stocks of 298,000 bushels, amount on hand in merchant mills of 1,787,000 bushels. When elevator stocks are totaled, it is safe to say that the total supply as of January 1955 will be much less than 6 million bushels.

During the period July-October 1954 the following exports were totaled: macaroni, 1,290,028 pounds; semolina and flour: 1,004,950 pounds.

We are told that the processors are coping with the durum shortage by using a 50-50 blend of durum and high-protein spring wheat and that the blend now may be more like 25-75 percent.

It is true that the new regulations in Federal crop insurance disappointed some growers who planned to try durum this spring. However, there is acceptance of the fact that the losses to rust by the insurance corporation have been tremendous and that rust could wreck the whole insurance program.

In the 1955 regulations only 16 counties will write durum under the wheat contract. There will be no new durum contracts—only the present contract holders will be eligible.

Despite all this—if Senate bill 145 is approved by this committee and passed by Congress early enough to permit the grower to make some plans and get some seed, I believe there will be added acres of durum this year.

I base this on several factors—the inquiries at our State farm bureau office (some of which were brought to the attention of Senator Young). They reveal the intentions of growers to plant durum on their idle acres if the allotments are raised.

Also the interest of growers revealed in 10 community meetings held during the past 2 weeks by the Cavalier County Farm Bureau. This series of 14 meetings will close January 29 in Langdon, N. Dak., and will have been held in almost every available hall or auditorium in the county.

Leaders in these meetings tell me there has been no demand from audiences for a per-acre subsidy to cover seed and seedbed, but real concern over the allotment plan and the progress being made at the increase stations and laboratories.

In summary, let me make these points:

Because of the hazards now present in durum production, growers cannot afford to take the risk of seeding durum in any large portion of their allotted acres. Another crop failure like the one in 1954 will put many of them out of business. (If you will permit a personal illustration of this, I seeded 270 acres of durum last year. I harvested 60 acres which yielded me about 100 bushels of 48-pound durum.)

Secondly, this legislation is desirable from the viewpoint of both the producer and the durum industry. The consumers of semolina products are also included in this consideration.

Third, Making durum an open crop in 1955 in those counties and areas that have a durum history will alleviate the diverted-acre problem. Acres seeded to durum wheat, which is in short supply (or virtually in no supply) will not be producing other grains such as barley, flax, and oats which are in oversupply and going into CCC stocks.

Thus, in behalf of the organization I represent and the durum farmers of North Dakota, I urge the enactment of Senate bill 145. Let me urge you, however, to consider the very little time remaining before farmers must set their plans, clean their grain, and commit themselves for the new year. Speed is of crucial importance in this matter.

Thank you.

EXHIBIT A-1

Durum wheat: Supply and distribution, United States

[1,000 bushels]

Items of supply and distribution	1949-50	1950-51	1951-52	1952-53	1953-54	1954-55
Supply:						
Stocks, July 1:						
Farm.....	5,610	6,837	7,244	4,111	1,568	2,637
Interior mills and elevators.....	6,016	5,361	3,775	4,032	1,700	481
Commercial.....	5,213	10,142	8,287	2,842	1,398	344
Merchant mills.....	1,197	2,618	4,318	4,029	2,176	1,399
Total.....	18,036	24,958	23,624	15,014	6,842	4,861
Crop ¹	39,503	37,948	35,492	23,097	13,883	19,272
Total domestic supply.....	57,539	62,906	59,116	38,111	20,725	24,133
Imports, July-December.....	(2 ³)	56	385	158	0	-----
Total.....	57,539	62,962	59,501	38,269	20,725	-----
Distribution, July-December:						
Mill grindings.....	11,663	11,962	13,001	12,672	6,795	-----
Feed, cereal manufacturing and other uses.....	⁴ 5,184	2,859	-1,048	-1,206	854	-----
Exports.....	779	2,068	8,416	² 1,507	41	-----
Total.....	17,626	16,889	20,369	12,973	7,690	-----
Stocks, December 31:						
Farm.....	22,428	23,327	22,000	12,000	7,500	-----
Interior mills and elevators.....	7,597	9,136	6,000	4,000	1,350	-----
Commercial.....	5,434	7,957	5,794	2,957	772	-----
Merchant mills.....	4,454	5,653	5,338	6,339	3,413	-----
Total.....	39,913	46,073	39,132	25,296	13,035	-----
Imports, January-June.....	(2 ³)	158	13	0	0	-----
Total supply, January-June.....	39,913	46,231	39,145	25,296	13,035	-----
Distribution, January-June:						
Mill grindings.....	9,967	11,375	12,532	10,996	5,120	-----
Seed requirements.....	4,085	3,610	3,218	2,940	1,948	-----
Feed, cereal manufacturing and other uses.....	⁴ 557	70	2,261	2,950	1,106	-----
Exports.....	346	7,552	6,120	1,568	0	-----
Total.....	14,955	22,607	24,131	18,454	8,174	-----
Stocks, June 30.....	24,958	23,624	15,014	6,842	4,861	-----

¹ All States.

² None reported.

³ Reported in Canadian grain statistics as durum wheat shipped to United States. A large portion of this may be frosted wheat and imported as feed wheat.

⁴ Includes waste, loss, and statistical errors of estimates.

EXHIBIT A-2

Durum wheat products: United States production and distribution

	Durum wheat, ground	Produc- tion— semolina and flour	Exports	
			Macaroni, etc.	Durum flour and semolina
	<i>Bushels</i>	<i>100-pound bags</i>	<i>Pounds</i>	<i>Pounds</i>
Average, 1942-43, 1951-52:				
July-December	12, 131, 047	5, 258, 281	14, 841, 047	8, 203, 701
January-June	11, 297, 800	4, 923, 182	29, 034, 787	15, 507, 604
Total	23, 428, 847	10, 181, 463	43, 875, 834	23, 711, 305
1946-47:				
July-December	11, 428, 936	5, 163, 498	46, 252, 127	2, 950
January-June	9, 936, 202	4, 426, 121	33, 802, 997	31, 688, 505
Total	21, 365, 138	9, 589, 619	80, 055, 124	31, 691, 455
1947-48:				
July-December	13, 996, 975	6, 138, 627	41, 314, 594	5, 017, 268
January-June	14, 181, 830	6, 354, 943	198, 424, 780	19, 706, 136
Total	28, 178, 805	12, 493, 570	239, 739, 374	24, 723, 404
1948-49:				
July-December	11, 452, 355	5, 012, 265	25, 307, 236	2, 321, 216
January-June	10, 231, 603	4, 457, 925	14, 753, 128	1, 113, 139
Total	21, 683, 958	9, 470, 190	40, 060, 364	3, 434, 355
1949-50:				
July-December	11, 662, 778	5, 074, 859	8, 446, 382	2, 774, 541
January-June	9, 967, 224	4, 371, 220	2, 703, 283	2, 816, 609
Total	21, 630, 002	9, 446, 079	11, 149, 665	5, 591, 150
1950-51:				
July-December	11, 961, 459	5, 201, 407	6, 122, 824	2, 971, 334
January-June	11, 375, 181	4, 917, 096	2, 365, 233	1, 979, 840
Total	23, 336, 640	10, 118, 503	8, 488, 057	4, 951, 174
1951-52:				
July-December	13, 000, 983	5, 565, 247	2, 384, 785	2, 291, 052
January-June	12, 531, 677	5, 292, 630	2, 913, 467	4, 247, 763
Total	25, 532, 660	10, 857, 877	5, 298, 252	6, 538, 815
1952-53:				
July-December	12, 672, 106	5, 345, 541	3, 236, 093	2, 353, 953
January-June	10, 995, 490	4, 752, 771	3, 213, 258	3, 200, 415
Total	23, 667, 596	10, 098, 312	6, 449, 351	5, 554, 368
1953-54:				
July-December	¹ 6, 794, 562	4, 338, 469	3, 299, 214	1, 538, 400
January-June	¹ 5, 119, 546	² 3, 950, 300	² 2, 143, 312	1, 715, 850
Total	11, 914, 108	8, 288, 769	5, 442, 526	3, 254, 250

¹ Includes blended products.² January-May.

EXHIBIT A-3

Production summary 16 North Dakota Durum counties, 1945-53

[Column A: Planted acreage (in thousands). Column B: Yield per acre]

County	1945		1946		1947		1948		1949		1950		1951		1952		1953	
	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B
Benson.....	142	15.4	166	13.0	187	12.5	196	13.5	222	9.0	144	12.7	128	12.3	107	8.6	107	6.3
Bottineau.....	107	16.8	137	15.5	171	15.0	172	14.0	171	13.0	106	15.6	78	13.0	54	9.7	52	7.7
Pierce.....	55	13.9	75	10.5	102	12.0	124	12.0	137	11.0	96	13.2	92	10.8	74	9.8	63	6.1
Rolette.....	96	14.4	117	13.5	131	13.0	131	13.5	142	11.5	100	16.2	103	12.0	87	11.8	86	5.7
Cavalier.....	174	18.2	207	17.0	246	17.5	241	15.5	264	13.0	197	18.3	203	14.4	188	13.5	205	6.4
Nelson.....	115	17.7	136	16.5	151	17.0	141	16.0	158	12.0	108	10.5	108	12.1	101	12.7	98	7.0
Ramsey.....	174	17.5	207	15.0	226	15.5	209	16.5	242	11.5	173	14.5	196	12.2	180	10.4	192	6.5
Towner.....	195	15.5	216	13.0	236	13.5	237	13.5	254	11.5	191	16.6	220	13.5	205	11.7	209	7.1
Wells.....	130	16.2	158	13.5	161	14.5	169	13.0	172	10.0	112	8.1	83	11.9	74	10.0	68	7.2
Steele.....	20	18.0	26	17.0	36	17.5	43	16.0	49	14.0	35	9.9	26	14.6	21	12.1	24	7.8
Stutsman.....	45	16.2	65	13.0	76	14.5	88	12.5	97	7.5	33	9.1	16	13.1	10	7.1	7	6.2
Barnes.....	57	18.2	67	18.0	79	16.0	80	15.0	100	9.0	45	10.9	29	16.2	22	6.4	17	5.6
Dickey.....	13	18.0	21	15.0	40	15.0	41	12.5	56	6.5	42	10.7	44	17.0	34	6.4	25	3.7
LaMoure.....	24	15.2	38	15.0	47	15.0	49	13.5	62	6.0	31	9.5	26	14.9	15	5.2	13	3.6
Ransom.....	35	15.2	42	15.0	61	16.5	61	15.0	77	9.5	48	11.1	44	17.5	36	7.0	30	3.9
Sargent.....	28	18.5	41	15.0	52	16.5	65	12.5	76	9.5	57	12.8	68	17.5	57	8.7	50	4.6

Source: USDA Office of the Agricultural Statistician, Fargo, N. Dak. Figures 1950-53 are unadjusted data from assessors' survey. North Dakota Farm Bureau.

Mr. MIKKELSON. I am George Mikkelsou of Garske, N. Dak. I represent the Farm Bureau.

There is one point that has not been covered. I would just like to read out of my statement the recommendation or the resolution that they passed at the annual convention in November.

We recommend that there be no restrictions on the planting of durum wheat for 1955. These additional acres planted as a result of this plan may not be used in calculating future wheat histories. If imports of durum are permitted, such imports should immediately stop when United States producers can again meet domestic needs.

There are about three points that I would like to bring out why this legislation is necessary.

The durum growers up there cannot take the chance that we took last year under last year's bill. That fit the conditions then, but it does not now.

I operated under the bill last year. I had 314 acres wheat allotment. Under last year's bill I could raise, or I could increase my durum acreage, I might say, to an unlimited extent—to a certain point, of course, by seeding 124 acres of hard wheat. I did that, and I seeded in addition to that 120 acres of hard wheat, 270 acres of durum.

Of that I harvested 60 acres. Out of those 60 acres I will have about 100 bushels of 48-pound durum.

Senator YOUNG. Can you use that for seed?

Mr. MIKKELSON. It is too light for seed. I took it to the elevator and had it checked and examined. I think I can take that to a good cleaner and bring that weight up to 50 or 51 pounds. I would use that for seed.

The CHAIRMAN. You said that last year your allotment was 314 acres?

Mr. MIKKELSON. That is right.

The CHAIRMAN. By planting 120 acres in hard wheat you could plant an unlimited amount of durum?

Mr. MIKKELSON. I used those words unlimited.

The CHAIRMAN. Could you have done it?

Mr. MIKKELSON. I could have. It is not unlimited. It was much more durum than I would ever plant. I did not plant up to the number of acres of durum that I could have planted under that.

The CHAIRMAN. What is your allotment this year?

Mr. MIKKELSON. My allotment this year? I applied for an increase in my allotment. It is 320 acres.

The CHAIRMAN. That is of all wheat?

Mr. MIKKELSON. Of all wheat?

The CHAIRMAN. Under the present law.

Mr. MIKKELSON. Yes.

The CHAIRMAN. If this law does not pass, how much durum would you plant?

Mr. MIKKELSON. I would not plant over about 50 acres.

The CHAIRMAN. But if it does pass, your intention, I presume, is to plant your entire 320 to hard wheat and the rest of your land may be devoted to durum; is that it?

Mr. MIKKELSON. No. If the law passed, I would plant more of that 320 to durum than I would to hard wheat, and then I would go out on my other acreage with more durum.

The CHAIRMAN. In other words, the 50 acres that you intend to plant to durum may be reduced, then, if this law goes into effect?

Mr. MIKKELSON. No; it would be increased.

The CHAIRMAN. You said that if this law were not passed, of the 320 acres of allotment that you are asking for you would plant 50 acres in durum; right?

Mr. MIKKELSON. Of the 320 acres that I have in my allotment now, if this law were not passed I would probably put in probably 50 acres of that 320 into durum.

The CHAIRMAN. If this law is passed, will you plant the 50 acres you propose to plant out of your 320 acres?

Mr. MIKKELSON. Yes, I will.

The CHAIRMAN. And plus some more?

Mr. MIKKELSON. Plus some more.

Senator SCHOEPEL. I would like to ask this question. You said you had about 100 bushels of this wheat with a certain test on it.

Have you run a germination test to indicate what percentage of the wheat of that low test will germinate satisfactorily so that you can use it as seed?

Mr. MIKKELSON. No, I have not.

Senator SCHOEPEL. That is a big factor, is it not?

Mr. MIKKELSON. Yes. There have been germination tests run on similar wheat, and the germination factor on that light wheat is high.

Senator SCHOEPEL. It is high on that light wheat?

Mr. MIKKELSON. It is very good.

Senator YOUNG. Had you finished your statement?

Mr. MIKKELSON. No. I would like to bring out two other points.

This is a matter of saving the industry and it is also a matter of trying to meet the consumer demand. We have a responsibility of producers both to industry and to the consumer.

I would like to bring out the point on the diverted acres. It will take a lot of the pressure off of this diverted acre problem. If this program were not passed, those extra acres will go into oats, barley,

and flax, which are in over-supply, and it will just increase the supply of those and increase the Commodity Credit stocks.

The CHAIRMAN. Are there any further questions?

If not, thank you, Mr. Mikkelson.

Our next witness is Mr. Olson, of St. Paul.

STATEMENT OF OLE L. OLSON, PRESIDENT, FARMERS UNION GRAIN TERMINAL ASSOCIATION, ST. PAUL, MINN., REPRESENTING THE NATIONAL FARMERS UNION AND THE NORTH DAKOTA FARMERS UNION

Senator YOUNG. Do you want to file your statement?

Mr. OLSON. Mr. Chairman and members, there is some repetition in my statement, but not very much. They tie in to some additions that I would like to make, so that if you could bear with me, I should like to present it.

The CHAIRMAN. Yes; that is perfectly all right. I was in hopes that we could finish it this morning, to report the bill out.

Mr. OLSON. My name is Ole L. Olson and I reside on a farm in Traill County, N. Dak. I am president of the Farmers Union Grain Terminal Association and am authorized to represent National Farmers Union and North Dakota Farmers Union at this hearing.

I own and operate a 400-acre family farm in the heart of the Red River Valley, one of the highly important wheat-producing areas of the Nation. I have lived in this area all my life, in fact I was born and reared on a wheat farm and, while I do not want to give the impression that I have all the answers to the problems of wheat farmers, I have been associated with every phase of wheat growing from seeding through marketing.

I wrote this statement before I had a chance to read Senate 145. We are in favor of Senate 145.

This committee has already given cognizance to the urgency of the durum-wheat situation. This is evidenced by the early scheduling of this hearing. Time is of the essence, due to the fact that durum wheat is a spring-seeded grain of rather late maturity. This means that whatever assistance this committee decides to give to durum wheatgrowers through legislation must expeditiously be provided or it will not have the desired effect of getting expanded durum acreage.

To understand the problem of the durum grower, we must go back a few years to the problems the growers were faced with in the production of durum. The race 15-B rust has been known to exist for some time, but it did not strike our wheat growing area until a very few years ago.

As a result of the ravages of this rust, durum growers have suffered either complete failure or produced only a very short crop of light-weight wheat. The durum wheatgrower has suffered such severe financial setback that few will be able or dare take the risk of producing durum wheat this year, unless incentives which I will suggest are provided.

What makes durum wheat different from other hard spring wheat?

This is a question the members of the committee can answer, but I would like to comment on it in order that the record will be clear to other Members of Congress who may not understand that other hard wheats are no substitute for durum wheat in the products made from it.

Durum is a variety of amber spring wheat that is milled into what is classified as semolina flour. This so-called semolina has a certain definite consistency that is necessary in the manufacture of spaghetti, macaroni, vermicelli, and noodles.

Durum wheat is produced for highly specialized use by the modern miller who has learned what type and grade of flour in the highest degree is suited for his particular purpose. The millers of semolina flour have not been able to find a suitable or acceptable substitute for hard amber durum wheat.

During the time durum wheat has been in short supply, millers have used limited amounts of other varieties of wheat in a mixture with semolina, with a consequent lowering of the quality of the product.

Premium, amber durum is grown chiefly in the northwestern section of North Dakota, a small section of southwestern North Dakota, north central South Dakota, extreme northeastern Montana, and extreme northwestern Minnesota. About 80 percent of the production is produced in the so-called durum triangle of North Dakota.

Climatic requirements and hazards:

Durum growing requires a cool and moderately moist climate during the growing season. As compared with other wheat, it is late maturing and ranker growing which makes it subject to damage from high winds and heavy rains.

Also as a result of the later maturity it is exposed to the late seasonal rains that adversely affect its color and quality, reduces weight, and causes severe harvest problems.

Climatic restrictions on durum-wheat production brought about over a period of many years the specialization in the areas already mentioned.

However, high-quality durum can be grown in the northern and eastern half of North Dakota, northeastern Montana, northeastern South Dakota, and northwestern Minnesota.

Incentives needed until development of rust-resistant varieties:

From the early times attempts have been made to improve the wheat crop, either in yield, quality of grain, earliness, disease resistance, or some other desirable character or combination of character. On the whole, efforts to improve wheat have met with success.

North Dakota experiment stations and the personnel and facilities of several other States are involved in an all-out effort now to develop a disease-resistant variety of durum wheat which will resist the ravages of 15-B rust.

This problem is being solved, and, in this connection, I would like to take this opportunity to extend to you the sincere appreciation of wheat farmers for your support of programs and appropriations designed to alleviate just such problems as 15-B rust.

The North Dakota Experiment Station expects to have for distribution this spring 7,000 bushels of 4 rust-resistant varieties of durum-seed wheat, and estimates that by 1957, or 2 years' time, such seed will be available in quantities enough to seed approximately one-half of the normal durum acreage.

In the meanwhile, we have very little resistant seed. This situation means that durum wheatgrowers are faced with extreme hazards in the continued production of durum. Unless incentives which I will

suggest are provided under appropriate legislation, the shortage of durum will be further aggravated.

This means, of course, the loss of a domestic market for a product which is not normally in surplus. Proper incentives to maintain and expand durum acreage would be advantageous not only in holding a highly prized consumer market but will stimulate a shift from already surplus hard spring wheat, barley, oats, flax, and corn to deficit crops.

We have consulted with many durum growers and are familiar first-hand with their discouragement over 3 successive years of failure. While they have taken heavy losses, they are reluctant to give up durum production. Durum-wheat farmers know that under the proper conditions a crop can be produced, but they are in no financial position to risk seeding their normal acreage in face of threat of 15-B rust infestation.

I was at a meeting last week where about 45 to 50 durum growers were in attendance, together with about 100 of the hard-wheat producers. I asked them the question of how many acres, what part of their acreage they were going to put into durum wheat.

Practically every one of those men told me that on account of the crops that they had received in the last 2 years, and the resulted effect upon their finances, that they would be putting their allotted wheat acres into hard wheat unless they had incentives enough to encourage them to take the risk in durum.

Senator YOUNG. What type of an incentive do you have reference to?

Mr. OLSON. I was just coming to that, Senator, in my paper.

For the reasons I have set out, I recommended the following incentive programs:

Increased support level necessary.

1. An increase in the price-support level of durum wheat to approximately double the present level—a level which will reflect a minimum price of \$4 per bushel.

In accordance with the explanation of the hazards involved in production of this wheat, including 15-B rust, it is imperative that the future durum-wheat price serve as an incentive to producers. The possibility of crop failure, the high cost of seed, and the longer growing period required for durum wheat are factors which the committee must consider in their deliberations.

Crop-acreage-control adjustment:

2. Crop-acreage controls should be lifted to permit durum-wheat producers in the established durum areas to see amber durum wheat on the same number of acres that was seeded to all wheat in 1953. This will include acres diverted from wheat in 1954 and proposed for 1955 in this established area.

At the time I wrote this I had not studied the new bill which allows for far more laxity than I was suggesting here, and to save the time of the committee I will pass that.

3. I urge also that there be instituted a nonrecourse incentive loan program to encourage wheat producers to plant durum wheat. I should like to point out that good seed durum is in relatively scarce supply. This will without question mean high-priced seed.

Taking into consideration, also, the cost of fertilizer and gasoline, loans based on \$25 per acre are far from excessive.

We cannot accurately predict what the price of durum seed wheat will be by planting time this spring, but if we are successful in expanding the acreage through these incentive programs, we estimate that the price of good seed may range up to \$10 per bushel or even higher. It takes from one and one-half to two bushels of durum seed wheat to plant an acre. Taking into consideration, also, fertilizer, weedicide sprays, gasoline, and oil as major costs of production, it would appear from the inquiry made of growers that loans of \$25 per acre should be authorized before they would risk seeding durum as opposed to seeding other less hazardous crops.

Furthermore, growers insist that payment on the loan be made in accordance with the realized production of durum wheat on their individual farms and that such credit be extended without encumbering chattels or real estate which in many cases are already mortgaged and would not be accessible as security. There is no question but what such nonrecourse credit is needed to get the expansion of durum-wheat acreage necessary to alleviate the short supply.

I would suggest to the committee at this point that either a special bill be drawn up, or if the powers are not contained in the law presently to give the Secretary the authority that some special legislation may be necessary that nonrecourse loans can be made.

From all of the checks with the growers I have made as to their financial condition, it appears essential that they have some type of credit that will rest on that sort of a basis.

Senator YOUNG. Mr. Chairman, there is one thing that I think is important, that has not been pointed out.

The Federal crop-insurance program this year makes ineligible for crop insurance any farmer who has not produced durum wheat in the past. If you had produced it in the past and had crop insurance, you are eligible to continue, but because of the extreme hazard of producing durum wheat, anyone planting durum wheat for the first time would be ineligible.

Mr. OLSON. I have some figures on that.

As an adjunct to the nonrecourse incentive-loan program, the crop-insurance program is not of material consideration because only those durum-wheat growers in the durum triangle in North Dakota who were policyholders last year are eligible for crop insurance on their durum-wheat acreage. Only 47 percent of the durum producers in this area are eligible for insurance on the crop in 1955, making it all the more necessary that adequate incentives be provided to encourage durum producers to seed the crop.

The durum-wheat farmers are appreciative of the fact that the petition to raise the import quota was withdrawn. So we interpret this act as a mandate to the United States durum-wheat producer and his Government to provide ample supplies of United States-produced durum wheat at the earliest possible time. Durum producers are cognizant also of the large supply of wheat in the United States at this time and since durum is classified as wheat, it would surely adversely affect the price structure on all wheat if the quota was raised.

Another reason for using every incentive possible to increase the supply of durum wheat is the shortage of the world supply. If we should attempt to draw our supplies from the already short world supply, it would result in increased prices in importing countries.

which are more dependent than the United States on durum wheat as a food item.

Incentive programs needed:

The incentive proposals are considered necessary to meet the emergency created by the advent of 15-B rust. The information we have indicates that we expect large enough supplies of rust-resistant seed within a 2-year period to bring about a situation of normalcy or near normalcy.

I want to thank the committee for the time allotted to this hearing and for the privilege of appearing before you.

I again strongly urge that early action be taken to assist durum-wheat producers, and through the incentive programs enumerated, to alleviate the present shortage of this wheat and, in doing so, maintain our position in the durum market.

The CHAIRMAN. Are there any questions? If not, thank you very much.

We will next hear from Mr. Cook.

**STATEMENT OF J. K. COOK, DURUM SPECIALIST, FARMERS UNION
GRAIN TERMINAL ASSOCIATION, ST. PAUL, MINN.**

Mr. Cook. Mr. Chairman and members of the committee, most of my statement is a repetition of what has taken place. I would like to do this, to read what I have here as to what will result if this bill should be approved.

That will only take a few seconds. These are very essential to the durum industry, to the farmer, and to your mills.

1. This bill, if passed, will save the durum market for our farmers.
2. Supply our manufacturing plants again with a much-required 100 percent durum-wheat semolina and durum flour.
3. Divert the growing of oats, barley, flax, rye from diverted acres which are now in surplus, to the growing of durum wheat, which is now in very short supply.
4. Supply the consuming public with a good 100 percent durum product until enough rust-resistant seed is available to produce sufficient durum on allotted acreage.
5. Supply sufficient durum to the durum industry so as to overcome the importation of durum products.
6. Permit the durum growers to regain some of their financial loss of the past 3 years by using their diverted acres for durum production.

7. Reduce the demand for the importation of durum.

8. The cultivated acreage in the northwest durum territory is largely devoted to durum and barley. Barley is in surplus, durum in short supply. Normally, durum shows a higher dollar yield per acre than barley.

This bill, S. 145, would permit the farmers to devote his diverted acres to the higher dollar yield crop.

Those, I think, are very essential to our durum growers, to our manufacturers, and also to our durum mills.

If this bill is passed, which I hope it will be, I think that it will overcome all of this.

I would like to make one more statement, that is, that during the past few years, Commodity Credit has taken over large amounts of

grain. Commodity Credit during the last few years has taken over very little durum. The durum they have taken over, they have resold to the mills at the price sometimes as high as \$1.50 a bushel margin.

Senator Young. Over and above what they paid for it?

Mr. Cook. Yes. Last Tuesday the Farmers Union G. T. A. sold to one of the mills 48-pound durum at \$3.55 a bushel. That durum cost Commodity Credit about \$2.38 a bushel.

There is no liability that Commodity Credit, if this bill is passed, will have to go in and take this durum; but if this bill is not passed, I am sure that in your territory, Senator Young, and up toward Devils Lake there will be millions and millions of bushels of barley raised that will fall into Commodity Credit hands.

That is as much as I have to say at this time.

The CHAIRMAN. Are there any questions?

If not, thank you very much. Your whole statement will be placed in the record.

(The prepared statement of J. K. Cook as is follows:)

STATEMENT FILED BY J. K. COOK, DURUM SPECIALIST, FARMERS UNION GRAIN TERMINAL ASSOCIATION, ST. PAUL, MINNESOTA

During the past 35 to 40 years, the durum wheat industry in the United States has grown to major proportions. In the early years of 1900, durum wheat was practically an unknown wheat in this country. That situation changed rapidly in the 1930's and 1940's. The farmers in many counties in North Dakota, South Dakota, Minnesota, and Montana devoted a large percentage of their cultivated acres to the production of durum wheat. Crops of 35 to nearly 50 million bushels were harvested. These supplies were very nearly all used by the durum industry, processed into macaroni, spaghetti, noodles, puffed wheat, a breakfast food, and other durum products.

Our per capital consumption of durum wheat products has steadily increased through the years and no doubt will continue to increase in the future.

In the 1920's, our per capita consumption was very low. In the 1940's and 1950's, the consumption reached 7.5 pounds per capita, which means a consumption of over 1 billion pounds of durum products.

To fulfill the domestic demand for durum products, seed and other uses, and to keep our market for the American farmers, we need a yearly production of at least 35 to 38 million bushels of durum wheat.

Our durum acreage and production has been greatly decreased in the past few years: From the 1940 to 1951 average acreage of 2.6 million to only 1.3 million acres in 1954—average production from 1940 to 1951 of 37.8 million fell to only 5.5 million in 1954.

The major reason for the decreased acreage and production the past 3 years was rust, mainly B-15.

Durum wheat is a very peculiar variety of wheat. It contains certain distinctive qualities contained in no other varieties of wheat. Durum wheat is especially adapted for the manufacture of durum products. Glenn Haskins, a consultant of the macaroni manufacturers, maintains, and the manufacturers agree, that no other wheats can replace durum wheat in the manufacture of macaroni, spaghetti, and other durum products.

Durum wheat has been grown in many sections of our country; however, only in certain sections of our Northwest can quality durum be raised successfully. Certain types of soil, amount of rainfall and time of rainfall and other climatic conditions favor the production of quality durum in the Northwest.

Because our 1952-53 and our 1954 durum crops were just about ruined by rust, a yield of only 5.5 million bushels was produced in 1954.

Because rust-resistant seed durum has been bred and will be available in volume in 1956 and 1957, bill S. 145 (permitting diverted acres to be seeded to durum) should be favorably acted upon by Congress so that sufficient durum acreage in 1955 will be made available to supply our domestic requirements of durum wheat.

This bill, S. 145, if passed by Congress, will have the following favorable results:

1. Save the durum market for our farmers.
2. Supply our manufacturing plants again with a much-required 100-percent durum wheat semolina and durum flour.
3. Divert the growing of oats, barley, flax, rye from diverted acres which are now in surplus, to the growing of durum wheat, which is now in very short supply.
4. Supply the consuming public with a good 100-percent durum product until enough rust-resistant seed is available to produce sufficient durum on allotted acreage.
5. Supply sufficient durum to the durum industry so as to overcome the importation of durum products.
6. Permit the durum growers to regain some of their financial loss of the past 3 years by using their diverted acres for durum production.
7. Reduce the demand for importation of durum.

8. The cultivated acreage in the Northwest durum territory is largely devoted to durum and barley. Barley is in surplus, durum in short supply. Normally, durum shows a higher dollar yield per acre than barley. This bill, S. 145, would permit the farmers to devote his diverted acres to the higher dollar yield crop.

The market for durum wheat and the durum industry must be saved. Diverted acres in 1955 should be released to produce durum wheat—in short supply—rather than grain that is in surplus. The farmer should be permitted to devote his diverted acres to a crop (durum wheat) that will have a higher dollar yield rather than to a crop of feed grains (in surplus) that shows a lower dollar yield per acre. The bill S. 145 will permit durum acres above the allotted acreage, thereby increasing durum production in 1955 to overcome the present acute shortage of durum wheat, and until seed of rust-resistant varieties are available in 1956 and 1957. Therefore it is very imperative that bill S. 145 is approved by Congress.

The CHAIRMAN. I wish to insert in the record at this point a telegram addressed to me as chairman of the committee dated January 20, from the Farmers Union Grain Terminal Association, signed "J. M. Waber and Harold Brown."

(The telegram is as follows:)

GREAT FALLS, MONT., *January 20, 1955.*

Senator ALLEN J. ELLENDER,

Chairman, Senate Committee on Agriculture,

Washington, D. C.

Urge lines 3, 4, and part 5 reading "and which have produced such wheat for commercial food products during 1 or more of the 10 years 1945 through 1954" be deleted from Senate bill 145. Present wording creates unjust discrimination between farmers in adjacent Montana counties since several counties with predominately spring wheat production that are rust free would be eliminated while neighboring county is eligible. Such amendment would prevent inequities and assure adequate production. Shortage of seed, authority of Secretary to designate counties, and limitation to 1955 crop should effectively prevent any quota evasion.

FARMERS UNION GRAIN TERMINAL ASSOCIATION,
J. M. WABER.
HAROLD BROWN.

The CHAIRMAN. The next witness is Mr. Hendrickson.

STATEMENT OF ROY F. HENDRICKSON, EXECUTIVE SECRETARY, NATIONAL FEDERATION OF GRAIN COOPERATIVES

Mr. HENDRICKSON. My name is Roy F. Hendrickson, and I am executive secretary of the National Federation of Grain Cooperatives. We are for the bill and know of no real opposition to it.

The CHAIRMAN. Thank you.

Next is Mr. Stevens.

STATEMENT OF DON A. STEVENS, VICE PRESIDENT, GENERAL MILLS, INC., MINNEAPOLIS, MINN.

Mr. STEVENS. Mr. Chairman and gentlemen, I have a statement which I will file with the committee to save your time. I would only like to say that I represent the durum milling industry of which there are seven companies involved.

We would like to say to you that we know from our experience that durum wheat, and only durum wheat, and specifically only durum wheat from the northwest area that we are discussing, produces a quality of macaroni and spaghetti which has made it such an important food product.

The consumption of macaroni and spaghetti has per capita increased during these last 20 years, whereas the per capita consumption of other wheat products has declined radically, as you know.

I would like also to say in summary of my statement that we believe that we will solve the rust problem on durum—are on the way to solving it, but it will take us 1 to 2 years more. Meanwhile, it is terrifically important to all concerned, including the consumer, that the industry be protected by this means.

Additionally, we believe that S. 145, introduced by Senator Young, will do the job without anything else. We think that that will do the job. That will give us the required amount of durum to protect its quality. Maybe not for most, but enough to use a large percentage of durum in the blend from which we make this semolina.

Then, lastly, we feel very strongly that in allowing the northwestern farmer to seed this otherwise diverted acreage to durum we are not contributing to the overall grain surplus problem, because as has been mentioned those acres will be used for barley or for oats or other feed grains or flaxseed.

Under any imaginable conditions they would produce more bushels of grain to be handled, stored, and taken care of than will be the case on durum.

Basically, we had one item in this country of grain which is in desperate short supply and that is durum. Almost everything else is in surplus.

We think that this is good for the country. We heartily endorse S. 145.

With that I would like to file my statement with you.

(The prepared statement of Don A. Stevens is as follows:)

STATEMENT FILED BY DON A. STEVENS, VICE PRESIDENT, GENERAL MILLS, INC., MINNEAPOLIS, MINN.

Mr. Chairman and members of the committee, my name is Don A. Stevens. I reside at Minneapolis, Minn., and am vice president of General Mills, Inc., one of the seven United States milling companies which process durum wheat. I am authorized today to speak for the entire durum milling industry.

Durum wheat is the basic raw material for the manufacture of semolina which, in turn, is the basic raw material used by manufacturers of macaroni, spaghetti, and noodles. Durum wheat, and only durum wheat, produces the quality of macaroni and spaghetti which has made these products such important items in the American diet. Macaroni and spaghetti are highly nutritious and are extremely low in cost. These products are two of the most widely used meat stretchers and are staple foods in every American home.

Consumption of macaroni products in the United States has steadily increased in total and per capita except during the years 1934 to 1936 when, because of

drought, supplies of durum wheat were depleted, and bread-wheat flours were, of necessity, used as a substitute for durum semolina. Domestic consumption of macaroni products has, since 1937, increased from 656 million pounds to over 1 billion pounds annually. In this same period, annual per capita consumption of macaroni products has increased from 5.1 pounds to 6.4 pounds. During this same period, the annual United States per capita consumption of other wheat products decreased from 152 pounds to 127 pounds. The importance of macaroni in the American diet is therefore well established, and maintenance of supply of its basic ingredient is worthy of serious consideration.

The United States and the world now face a period of extreme shortage of supplies of durum wheat. A new race of black stem rust, 15B, has, during the past 3 years, reduced the United States production of durum wheat from an annual average of 37 million bushels during the 10-year period 1942-51 to 22 million bushels in 1952, to 13 million bushels in 1953, and to 5½ million bushels in 1954. Presently available varieties of durum wheat have been and are particularly susceptible to damage by this virulent race of rust, and the somewhat longer growing period of durum wheat has caused extreme crop damage as compared to only moderate damage to bread wheats in the same areas. Similar loss of durum production occurred in Canada for the same reason, with the result that foreign buyers of North American durum wheat and durum products are likewise being forced to turn to substitutes and to produce a lower quality, less desirable product.

Durum wheat in the United States is produced normally only in the four States of Minnesota, North Dakota, South Dakota, and Montana. Production was confined to this area because only in this section do we find the wheat characteristics which provide the desired quality in the end products, macaroni and spaghetti. The United States acreage of durum wheat since 1919 has ranged from a high of 6½ million acres in 1928 to just under 1 million acres in the drought year of 1934. Our average annual acreage for the past 10-year period 1944-53 was 2,315,000 acres—all of which was in the 4 States referred to above.

New varieties of durum wheat are being developed which are resistant to race 15B of black stem rust, and as they are developed, the seed stock is being increased as rapidly as possible. Much effort has gone into this work, with the Federal Government, the governments of the States concerned, farm organizations and cooperatives, and all segments of the grain and milling industries co-operating with time, talent, and money. Considerable success has been attained, and we have reason to hope that by 1956 we shall have a modest acreage of rust-resistant durums. By 1957 a large proportion of the normal durum acreage can probably be seeded with resistant varieties.

Meanwhile, it is very much in the national interest that the supply of high-quality macaroni products be maintained to the maximum extent possible. To accomplish this, we must encourage by every legal and reasonable means the production of durum wheat. In 1955, and very probably during 1956, wheat producers in the durum area face an extraordinary and unusual risk with durum wheat, and some incentive is necessary to encourage them to accept this risk. The National and State wheat acreage allotments for 1955 have again been sharply reduced, and in the durum area the producer cannot afford to seed this risk crop on his remaining wheat acreage allotment. Industry surveys indicate that there will be little or no durum seeded on the basic wheat acreage allotment.

Senate bill S. 145 proposes to amend the Agricultural Adjustment Act of 1938 (as amended) to authorize, for 1955 only, the seeding of durum wheat in the four-State durum area in excess of the basic wheat acreage allotment. The durum milling industry, believes that the provisions of this bill, if it becomes law, will be the greatest single step which could be taken to encourage a normal or near normal seeding of durum. Many farmers over the entire durum area have indicated their intention to seed some durum, provided they may do so on the otherwise diverted acres.

We believe that S. 145, coupled with the very attractive durum price level, will encourage the seeding of at least 1 million acres and possibly up to 2 million acres of durum wheat. Normal average yields on this acreage would produce from 12 to 25 million bushels. Probable production under this situation would not supply our full normal domestic consumption plus seed, but it would make possible the use of a generous percentage of durum wheat in the manufacture of macaroni products and go far to protect the quality and maintain the consumption during this difficult period.

Our domestic usage of durum wheat for food approximates 25 million bushels if and when available, to which must be added 3 to 4 million bushels for normal

seeding, plus some quantities of poor quality production used for feed, plus exports when we have exportable quantities. The United States has been one of the major suppliers of durum wheat for European consumption.

The durum milling industry does therefore heartily endorse S. 145 and urges this committee to give it favorable consideration.

It should be mentioned that this proposal, if passed, will not complicate or make more difficult the present grain surplus problem in the United States. The acres which under this bill will be diverted to durum wheat will otherwise be used for barley, oats, other feed grains, or flax, and the anticipated production of these grains on these acres would far outrun the production of durum, even under the most favorable conditions. Rather, this bill would make possible the production of that particular grain which, at this time, is most needed and in desperate short supply.

APPENDIX A

United States acreage and production of durum wheat, 1919 to 1954, inclusive

Years	Acreage	Yield Per Acre	Production
	<i>Millions of acres</i>	<i>Bushels</i>	<i>Millions of bushels</i>
10-year average:			
1919-28.....	4,868	11.8	58,106
1929-38.....	3,055	9.6	30,008
1939-48.....	2,535	14.8	36,718
5-year average, 1949-53.....	2,582	11.3	29,250
1954:			
Seeded.....	1,658	4.2	5,557
Harvested.....	1,327		

Source: U. S. Department of Agriculture.

APPENDIX B

United States macaroni products consumption

Years	Macaroni produced	Domestic consumption	Domestic per capita consumption
	<i>Millions of pounds</i>	<i>Millions of pounds</i>	<i>Pounds</i>
5-year average:			
1937-41.....	674	671	5.1
1942-46.....	968	948	6.8
1947-51.....	1,006	940	6.3
1952.....	1,067	1,063	6.8
1953.....	1,028	1,024	6.4
1954.....	1,040	1,038	6.4

¹ Estimated.

Source: U. S. Department of Commerce.

The CHAIRMAN. How many bushels of durum wheat ordinarily are consumed?

Mr. STEVENS. About 25 million as food.

Then we have our seed requirements. There is always a little amount that cannot be milled that you have to allow for in your production.

Then we have in the past, and I hope in the future will be major exporters of durum.

The CHAIRMAN. Last year the production was a little over 5 million?

Mr. STEVENS. Yes.

The CHAIRMAN. Over 20 million bushels short?

Mr. STEVENS. Yes.

The CHAIRMAN. Was that imported?

Mr. STEVENS. What the durum mills did, 2 years ago was by agreement with the macaroni manufacturers, we cut our grist to 50 percent durum and 50 percent red wheat and this last year we had to cut the grist from that to 75-25, in other words, the durum macaroni manufacturer has been willing to pay us enough for our product so that we could go out and pay up to \$4 a bushel for what little durum there was and put in 25 percent of it.

If you do not enact S. 145, I think we will reach a point this next year where there will be no durum in it.

The CHAIRMAN. The macaroni now produced has only 25 percent durum?

Mr. STEVENS. That is correct.

The CHAIRMAN. I am a great eater of macaroni. I do not see any difference.

Mr. STEVENS. There is a tremendous difference in the tolerance of the cooking.

Senator YOUNG. The chairman is a good cook.

Mr. STEVENS. I could go into those details.

The CHAIRMAN. I certainly did not notice any difference.

Senator YOUNG. May I ask this question: How much durum would we have to produce before we would be creating a surplus?

Mr. STEVENS. We would have to be over 35 million bushels, because 25 million will be consumed by the macaroni industry in the form of semolina. You have to allow for seed and minor amounts that are of poor quality. There is always a demand for the export of, say, 5 or 6 million.

Senator YOUNG. You want something to fill up the empty pipelines, too—you would want that.

Mr. STEVENS. The amount that we would get under S. 145 would create no surplus problem. I am sure of that.

So far as the price level is concerned, it will be high as far ahead as we can see.

The CHAIRMAN. Thank you very much.

We will next hear from Mr. Ryan.

STATEMENT OF MAURICE L. RYAN, VICE PRESIDENT, QUALITY MACARONI CO., INC., ST. PAUL, MINN., REPRESENTING THE NATIONAL MACARONI MANUFACTURERS ASSOCIATION

Mr. RYAN. Mr. Chairman and members of the committee, I am in the macaroni business. I am connected with the National Macaroni Manufacturers Association. I am chairman of the Durum Growers Relations Committee.

In convention earlier this week they went on record unanimously supporting S. 145.

We urge just as soon as you can do it, do it.

You said not to be repetitious.

I will mention one thing that has not come out. There are certain lable requirements, and rightly so.

We like to have "Semolina" on our package. We no longer can put it on the package, but Italy is flooding the eastern coast with macaroni, spaghetti, and so on and so forth, and everything is in beautiful Italian printing with "Semolina" on it which comes in without quota. They can ship every pound and they are going to town.

So please pass this bill. We like it.

Then, the other things later on. I do not mean 5 years from now. If you want to consider them, do it. I have no statement to file.

There is one more thing. I worked on this for a long time. I want to compliment the Department of Agriculture, and particularly Tom Walker for his understanding and the way he has cooperated and the information he has given us as to production, et cetera.

The CHAIRMAN. Very well, thank you.

Next we will hear from Mr. Woolley.

STATEMENT OF FRANK K. WOOLLEY, LEGISLATIVE COUNSEL, AMERICAN FARM BUREAU FEDERATION

Mr. WOOLLEY. Mr. Chairman and gentlemen, we have a statement, that with your permission, we would like to have filed in the record.

The CHAIRMAN. You are for it?

Mr. WOOLLEY. We favor the bill.

We will oppose going any further in the way of incentives.

We know there is a seed shortage.

We think if you devise a lot of other schemes the net effect will be to encourage the planting of seed where it should not be planted. What we need is a crop.

The other wheat areas have been considered in the Farm Bureau. There is no feeling on the part of the other areas that this relief should not be granted. As a matter of fact, they know it is necessary and favor it. It was considered very thoroughly.

The CHAIRMAN. In that connection, I presume the main battle should be directed in trying to find some way to kill off the rust?

Mr. WOOLLEY. That is exactly right, and get a multiplication of the rust resistant seed.

We think, however, that this is a classic example of the proposition that price is not everything. You have got to have something to sell, or the price is not going to do you any good.

(The prepared statement of Frank K. Woolley is as follows:)

STATEMENT FILED BY FRANK K. WOOLLEY, LEGISLATIVE COUNSEL, AMERICAN FARM BUREAU FEDERATION

The American Farm Bureau appreciates this opportunity to present its views with respect to S. 145, a bill to amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, pertaining to class II durum wheat. The bill, as drafted, increases the national, state, county, and farm acreage allotments and marketing quotas in 1955 to take care of the short supply of class II durum wheat without unnecessarily creating other problems.

This statement has been prepared on the assumption that you will have already heard from the Department of Agriculture with respect to the statistical situation, as well as its recommendations, pertaining to class II durum wheat. Also I assume that you have heard the statement submitted by Mr. George H. Mikkelsen, vice president of the North Dakota Farm Bureau. While other States are interested in the durum wheat question, the overwhelming quantity of class II durum wheat is seeded in North Dakota. Mr. Mikkelsen is a durum producer in the North Dakota durum triangle, and his experience on this question represents the best that can be obtained.

In an American Farm Bureau Federation wheat meeting in Fargo, N. Dak., in October 1954, the question of durum wheat was discussed and the question has been under more or less constant discussion by Farm Bureau people from North Dakota and adjoining class II durum wheat producing States since that time.

Obviously, the Congress cannot continue to control the production of a particular class of wheat which is in short supply, even though the total carryover of

all classes of wheat is more than five times the amount specified by law. Recognition must be given to the fact that current domestic consumption of class II durum wheat is approximately 27 million bushels per year, but that production has drastically dropped; first, in 1952 down to 22 million bushels, then in 1953 down to 13 million bushels, and finally in 1954 down to 6 million bushels.

The main reason for the decrease in production is the damage wrought by 15-B rust. As a matter of fact, the Agricultural Adjustment Act of 1938 was amended by Public Law 290 of the 83d Congress to increase 1954 marketing quotas and acreage allotments in such a way as to materially increase the acreage that could be devoted to class II durum wheat without penalty, due to the damage brought about by 15-B rust the previous year. We understand the acreage seeded in 1954 was increased approximately 286,000 acres as a result of the increased allotments and that 272,000 acres of this amount was in North Dakota.

The overall situation with respect to wheats of other classes is such that any increase in the acreage allotments and marketing quotas for durum wheat should not be permitted to bring about increased production of other wheats. The present situation in durum wheat strikingly illustrates the point that farmers' interests are much broader than merely price. Farmers fully understand that the volume that can be sold and the costs that must be paid are more important in obtaining high per family real income than Government support prices.

It is our understanding that there is a shortage of good quality durum wheat seed which will make it practically impossible to seed more than 2¼ million acres this year. This committee is well acquainted with the fact that due to climatic conditions, class II durum wheat can only be raised in limited areas. Also, it is a well-developed fact that if good amber durum seed is planted in nonadapted areas, the product will be durum wheat but not good milling quality amber durum suited for the production of macaroni. As a consequence, we believe that any legislation that is finally enacted should not have the effect of encouraging the planting of this particular variety of wheat in areas where the possibilities of growing the desired product are not of the highest order. If the limited supply of seed is wasted by planting in nonadapted or poorly adapted areas, the result could be to further aggravate an already serious situation.

With the current market price for class II durum wheat ranging around \$4.25 to \$4.40 per bushel and the probability that the price will be somewhat comparable at seeding time this spring, growers will have sufficient inducement to plant the available seed in the most adaptable areas, particularly if the legislative action indicated in S. 145 is put into law early enough for producers to take advantage of the increased allotment. With seed as short as estimated, it is very improbable that United States production in 1955 will be adequate to take care of domestic requirements.

While the bill, as drafted, is more liberal in granting additional wheat acreage for 1955 than the provisions of Public Law 290 were for 1954, we believe that it should be enacted into law and that it is as much as the Congress can do in this area at this time to remedy the situation. In making this recommendation we are aware of the fact that producers of wheat in other areas are acutely conscious of the necessity of bringing supplies into line with demand. However, we believe that they appreciate the necessity for treating this particular class of wheat in a special manner again this year due to the recent difficulties in production that have been encountered in the area adapted to its production.

We favor enactment of S. 145.

The CHAIRMAN. Thank you, very much.

The next witness is Mr. Parker.

STATEMENT OF JOSEPH O. PARKER, REPRESENTING THE NATIONAL GRANGE

Mr. PARKER. Mr. Chairman and gentlemen, I will save time, too. If I may have the privilege of filing a statement on behalf of the National Grange, I should like to do so, and then I would like to read two paragraphs.

The CHAIRMAN. The Grange is for it?

Mr. PARKER. The Grange is for this bill, primarily because it is an emergency situation. There is a limited supply of seed available. There has been a great reduction in production in the last 2 years, because of the stem rust.

I would like to read just two paragraphs of our statement.

Were it not for the need for emergency action and the limited supply, the Grange would question (1) the soundness of restricting the benefits of the bill to designated counties in the States of North Dakota, South Dakota, Montana, and Minnesota, and (2) the soundness of permitting the entire regular allotment to be planted with other types of wheat and permitting all durum production to be produced on acreage in excess of the regular allotment. This action, it would seem, would necessarily result in an increase in production of other types of spring wheat without assuring any substantial increase in durum wheat acreage.

However, because of the very limited seed supply there is not any possibility, I do not believe, of increasing the other types of wheat acreage above the amount which they produced last year, which was only about 1.6 million. In view of that fact and the limited supply of seed there is not much of a problem, if this is a 1-year bill.

Senator YOUNG. I think there is another thing which is very important that has not been brought out, that is, any farm program would certainly be obnoxious to the consumers of America if it prohibited an increase in the production of a product that is in great demand. The present law would do that if not changed.

Mr. PARKER. That is correct.

The shortage of durum wheat, which has been aggravated by the cutback in acreage caused by the acreage allotment and market quota programs we believe again illustrates the need for the enactment of a sound two-price certificate program for wheat, similar to the bill passed by the House last year and advocated by the Grange. Under such a program it would not be necessary to await the enactment of special emergency legislation for farmers to have an opportunity to increase acreage and to produce wheat needed to meet market requirements, because they would be free to do so. If such a program were in effect, farmers would also have an incentive to produce the type and quality of wheat which was most needed and which would bring the highest price in the market place. It is the hope of the Grange that the Congress this year will give further consideration to such a measure in order that farmers may be given the opportunity to put it into operation.

For the reasons stated above, the Grange supports S. 145 as a 1-year emergency measure.

STATEMENT FILED BY JOSEPH O. PARKER, REPRESENTING THE NATIONAL GRANGE

Mr. Chairman, my name is Joseph O. Parker, and I am here this morning representing the National Grange.

The National Grange appreciates the opportunity accorded by this committee to present its views with respect to S. 145.

The Grange supports this bill. This support is based primarily upon the fact that there apparently is such a critical shortage of this type of wheat that something in the nature of emergency action appears to be warranted if the shortage is to be alleviated this year.

Class II durum wheat is the source of semolina, from which macaroni and similar products are manufactured.

The acreage of this type of wheat during the past 3 years has declined from 2.3 million acres in 1952 to 1.6 million acres in 1954. Production, however, during the same period declined from 23 million bushels to about 6 million bushels. As a result, the durum milling industry has been unable to obtain supplies needed to meet its requirements, imports of macaroni and similar products have increased sharply, and farmers are being threatened with a loss of their markets.

Although the large decrease in production of class II durum wheat has been brought about principally by damage due to stem rust, the situation has been further aggravated because of the cutback in wheat acreage made necessary

by the return of acreage restrictions and marketing quotas on wheat. The shortage of durum apparently was not greatly relieved, notwithstanding the fact that the Congress in January 1954, in recognition of the shortage, authorized the Secretary of Agriculture to increase allotments and marketing quotas for farms which had produced durum wheat in any one of the 3 preceding years. The additional acreage obtained as a result of this legislation was not large.

It is apparent, therefore, that if acreage is to be increased this year some action will have to be taken quickly in order that farmers may make their plans and take steps to acquire seed.

Were it not for the need for emergency action and the limited seed supply, the Grange would question (1) the soundness of restricting the benefits of the bill to designated counties in the States of North Dakota, South Dakota, Montana, and Minnesota, and (2) the soundness of permitting the entire regular allotment to be planted with other types of wheat and permitting all durum production to be produced on acreage in excess of the regular allotment. This action, it would seem, would necessarily result in an increase in production of other types of spring wheat without assuring any substantial increase in durum wheat acreage. As a matter of fact, it is estimated that the supply of seed available is only sufficient to seed 2,200,000 acres, or about the same acreage planted in 1953. This short seed supply in itself serves as an effective limitation upon acreage seeded this year.

The shortage of durum wheat, which has been aggravated by the cutback in acreage caused by the acreage allotment and market quota programs, we believe again illustrates the need for the enactment of a sound two-price certificate program for wheat, similar to the bill passed by the House last year and advocated by the Grange. Under such a program it would not be necessary to await the enactment of special emergency legislation for farmers to have an opportunity to increase acreage and to produce wheat needed to meet market requirements, because they would be free to do so. If such a program were in effect, farmers would also have an incentive to produce the type and quality of wheat which was most needed and which would bring the highest price in the market place. It is the hope of the Grange that the Congress this year will give further consideration to such a measure in order that farmers may be given the opportunity to put it into operation.

For the reasons stated above, the Grange supports S. 145 as a 1-year emergency measure.

The CHAIRMAN. Is anybody else present who desires to be heard?

Mr. WALKER. Mr. Chairman, I have a couple of points that I would like to make.

The CHAIRMAN. Proceed.

Mr. WALKER. Senator Mundt's question as to the production of durum wheat outside of North Dakota was not adequately answered. I have here before me the official estimate of the Department of Agriculture on durum wheat.

It shows that in Minnesota in 1954, 84,000 bushels of durum wheat were produced; in North Dakota, 4,976,000 bushels were produced; and in South Dakota, the second largest durum State, 497,000 bushels of durum wheat.

The balance of durum wheat of about 357,000 was produced as follows—it represented some red durum production and the production of durum wheat in Montana.

It has been called to my attention that the language of the bill as it now exists is somewhat confused over the meaning of a part of the language.

The object of this bill is twofold.

One is to provide that farmers who do not have a recent history of production of durum wheat may participate in this program.

And, also, that the program be limited to counties capable of producing the desired quality of durum.

On page 2 of the bill, line 2, it could be modified to clear this point up by inserting after the word "counties," on line 2, the words "which (1) are," and then on line 3 delete the word "which" and insert "(2)." That would mean it would read as follows:

designated by the Secretary as counties which (1) are capable of producing class II durum wheat and (2) have produced such wheat for commercial food products during one or more of the ten years 1945 through 1954.

There has been some question raised that the way it is now worded refers to farms. It should refer to counties.

The CHAIRMAN. As I understand this addition of language it would permit acreage for durum production on farms which have not heretofore produced durum.

Mr. WALKER. That is right. That is the intent.

The CHAIRMAN. That is the intention of the bill. And the language you are suggesting there would accomplish that?

Mr. WALKER. That is right. It would clarify it. The aim of the bill is to do that.

Senator YOUNG. Do you have a report from the Department on the bill?

The CHAIRMAN. I have never seen it. I understand that the bill was sent by the Department.

Senator YOUNG. I was just handed a copy of the report. I wonder if that should not be inserted in the record at this point.

The CHAIRMAN. I wondered why it was not sent here. Where is the original—who got the original report? Can anybody from the Department tell us?

Mr. WALKER. Mr. Chairman, I assume that a letter just signed by the Secretary to the Vice President and to the Speaker of the House recommending this bill would suffice for that report.

The CHAIRMAN. Have you sent a letter—has such a letter been sent?

Senator YOUNG. They handed me a copy that was mailed a couple of days ago. Here is a copy of it.

The CHAIRMAN. Without objection, the copy of the letter sent to Vice President Nixon, of which a copy was given to Senator Young by Mr. Talbott, will be inserted in the record at this point.

(The letter is as follows:)

DEPARTMENT OF AGRICULTURE,
Washington 25, D. C., January 20, 1955.

The honorable the PRESIDENT OF THE SENATE,
United States Senate.

DEAR MR. PRESIDENT: Enclosed for consideration by the Senate is a draft of a proposed amendment to the Agricultural Adjustment Act of 1938, as amended. We believe it to be of such importance as to require immediate and favorable consideration. It is designed to increase the production of class II durum wheat the supply of which is extremely short.

It is essential that the bill be given immediate consideration and enacted as soon after the convening of the Congress as possible. If the amendment is to be effective, farmers must be informed of its provisions prior to seeding time which begins soon after the 1st of March. It is only after enactment of the proposed amendment that we can prepare and promulgate an effective program that will induce farmers to seed increased acreages of durum wheat.

Durum wheat, class II, has a usage substantially different from that for any other class of wheat because it is the source of semolina from which satisfactory quality macaroni products are manufactured. It is a spring wheat and is grown in the States of North Dakota, South Dakota, Montana, and Minnesota. The supply situation with respect to durum wheat is critical, due to damage from stem rust "race 15b." In 1952 the production of durum wheat totaled 22 million bush-

els, which was only 60 percent of the 10-year 1942-51 average production of 37.4 million bushels. In 1953 the crop was 13.9 million bushels and the estimate for the 1954 crop is only 5.5 million bushels. The normal requirement for domestic use, exports, and carryover is about 35 million bushels per year.

These three successive crop failures have endangered the entire durum wheat industry both on the production and milling sides. The macaroni industry members report it is faced with a shrinking market due almost entirely to the production of an inferior product resulting from the use of classes of wheat not well suited for such products.

An effort was made by the Congress in 1953 to relieve the situation by enacting section 4 of Public Law 290 (68 Stat. 4). Under this statute the 1954 acreage allotments and marketing quotas for wheat producers who had grown durum wheat during 1 or more of the preceding 3 years were increased to permit the growing of increased acreages of durum wheat, class II. Our investigation indicates that the program, under these provisions, has not and will not be effective because (1) the seeding of other spring wheat is limited to the pro rata share of the regular wheat allotment attributable to such spring wheat as a condition of qualifying for the additional allotment for durum wheat, and (2) eligibility for the additional allotment to produce durum is dependent upon the producers having grown durum wheat, class II, in 1 or more of the preceding 3 years. Producers feel that the growing of durum wheat against the hazards of stem rust "race 15b" is too great to expect them to gamble on seeding a substantial part of their farm wheat acreage allotments to such class of wheat.

Under the proposed bill, farmers would be permitted in areas capable of producing durum wheat, class II, from which acceptable semolina may be produced for the production of satisfactory macaroni products, to grow such class of wheat over and above the regular farm wheat acreage allotments without regard to the class of wheat seeded within the allotments. The acreage permitted to be grown would be limited only by the total acreage of cropland on the farm well suited for the production of wheat. Farmers operating in the areas to be selected would be eligible for the increased allotments for durum wheat production regardless of whether they had previously produced such wheat. The increases in allotments under the bill would not be considered in determining future State, county, and farm wheat-acreage allotments.

Although considerable increase in the acreage seeded to durum wheat could be expected if the proposed bill is enacted, it is not likely that the production of durum wheat will reach normal levels until adequate supplies of rust-resistant varieties of durum wheat seed are available. Four such varieties of durum wheat, class II, have been developed and further experimentation is being conducted by the North Dakota Agricultural College and Experiment Station. This station is also conducting a seed-reproduction program for such varieties. It is not expected, however, that ample seed of these varieties will become available before 1957.

The proposed bill would apply to the 1955 crop only. Although the problem may continue for 2 to 3 years, it is felt that the situation should be reexamined before continuing this type of legislation beyond 1955.

The proposal would result in a slight increase in administrative costs which can be absorbed within existing funds.

Representatives of this Department will be available to assist in any way in the consideration by the Congress of the bill.

A similar letter is being sent to the Speaker of the House of Representatives.

We are advised by the Bureau of the Budget that from the standpoint of the program of the President, there is no objection to the submission of this bill.

Sincerely yours,

TRUE D. MORSE,
Acting Secretary.

A BILL To amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That subsection (e) of section 334 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1334 (e)), is amended, beginning with the 1955 crop of wheat, to read as follows: "(e) Notwithstanding any other provision of this Act, the Secretary shall increase the farm marketing quotas and acreage allotments for the 1955 crop of wheat for farms located in counties in the States of Minnesota, Montana, North Dakota, and South Dakota designated by the Secretary as counties capable of producing

class II durum wheat and which have produced such wheat for commercial food products during one or more of the ten years 1945 through 1954: *Provided*, That the increase in the wheat acreage allotment for any farm shall not exceed the difference between the acreage of cropland on the farm suitable for the production of wheat and the wheat acreage allotment, if any, determined without regard to this subsection (c), and the increase in allotment shall be conditioned upon the production thereon of class II durum wheat. The increases in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and the acreage of class II durum wheat thereon shall not be considered in establishing future State, county, and farm acreage allotments."

Senator YOUNG. I would like to have several telegrams and letters inserted in the record. Where there is a duplication of the purpose of the letter or the telegram, that we use just the names, but for the most part they are different in character.

The CHAIRMAN. Without objection, that will be so ordered.
(The letters and telegrams are as follows:)

WARD COUNTY CROP IMPROVEMENT ASSOCIATION,
Minot, N. Dak., December 30, 1954.

Hon. MILTON R. YOUNG,
United States Senate, Washington, D. C.

DEAR SENATOR YOUNG: The Ward County Crop Improvement Association unanimously adopted the following resolution at a meeting held November 29, 1954:

Whereas the production of amber durum wheat in the United States during the past 2 years has been approximately one-third of the amount normally consumed; and

Whereas the available varieties of amber durum wheat are more susceptible to stem rust than hard wheat, the risk involved in raising durum is much greater than for hard wheat; and

Whereas the cost of amber durum seed is nearly twice that for hard wheat of comparable quality and difficult to secure; and

Whereas crop insurance is not now available to growers of amber durum in much of the durum-producing area of North Dakota, farmers will seed hard wheat instead of durum on their allotted wheat acres, thus the potential supply of amber durum will be further reduced: Therefore, be it

Resolved, by the Ward County Crop Improvement Association, That the Secretary of Agriculture and the United States Congress be requested to remove all acreage restrictions for seeding amber durum wheat in 1955 to provide an incentive for increasing production of this wheat of which there is a critical shortage.

Sincerely,

JOE PARIZEK, *President.*

F. H. PEAVEY & Co.,
Minneapolis, Minn., January 14, 1955.

Hon. MILTON YOUNG,
Senate Office Building, Washington, D. C.

DEAR SENATOR YOUNG: We have been advised there will be hearings on the proposed durum legislation on January 21. Because of a previously arranged schedule of meetings, it will not be possible for me to attend.

I do want to go on record for our company as favoring a liberalizing of planting restrictions to permit unrestricted durum seeding in 1955 in the States of North Dakota, South Dakota, Montana, and Minnesota. It is imperative that the permission to seed durum not be limited to just those farms who have a durum history. Such a provision would severely limit next year's durum seedings.

Thank you for your assistance on this legislation.

Very truly yours,

W. P. MACDONALD, *Director.*

NORTHWEST CROP IMPROVEMENT ASSOCIATION,
Minneapolis, Minn., January 12, 1955.

HON. MILTON R. YOUNG,
Senate Office Building, Washington, D. C.

DEAR SENATOR YOUNG: The membership of this association is vitally interested in the durum situation. Durum mills, elevators, and commission firms, hope that Congress will take speedy action to remove durum production from acreage restrictions, thus allowing durum to be grown in place of flax, barley, and oats.

The macaroni processors need approximately 25 million bushels annually for macaroni products. The 1954 production of approximately 6 million bushels has caused macaroni processors to use 25 percent durum in their products. Some are using none because of the short durum supply.

Durum growers, especially in the durum area of North Dakota, have suffered severe losses because of stem rust for the past 3 years. They cannot afford to continue the risk of planting their entire acreage to durum. Many of them will grow bread wheat and probably grow some durum. They might grow a greater acreage of durum provided it could be grown on restricted acreage. Varieties grown on restricted acreage should be limited to acceptable high-quality varieties of amber durum and should not include the black-beared varieties not acceptable to the macaroni trade.

We appreciate your efforts of 1954 in behalf of durum production and will likewise appreciate anything you can do for the industry this year.

Very truly yours,

HENRY O. PUTNAM, *Executive Secretary.*

MINNEAPOLIS, N. DAK., *January 19, 1955.*

Senator MILTON R. YOUNG,
House of Senate, Washington, D. C.

HONORABLE SIR: We are wondering if it would be possible that action be taken soon on the durum bill as farmers are now making plans for spring seeding. They are anxious to obtain their seed if additional acreage is granted.

Due to the rust situation at the present time and until the time rust-resistant varieties are developed, it is our opinion that any increase be confined to the durum triangle.

Very truly yours,

ALBERT THOMPSON,
 K. B. SANDOEN,
 HENRY GILBERTSON,
Members, Benson County ASC.

(NOTE.—Telegrams filed by Senator Young from Hugh S. Lymburn, manager, Derrick Farmers Elevator Co., Derrick, N. Dak.; Magnus M. Lysne, Harlow, N. Dak.; and O. G. Glunberg, manager, Klotten Farmers Union Elevator Co., Klotten, N. Dak., are identical to telegrams on p. 3, and from J. M. Waber and Harold Brown, Farmers Union Grain Terminal Association, Great Falls, Mont., on p. 44.)

The CHAIRMAN. Is there any further suggestion with regard to the bill?

Mr. NORDHOUEN. I have just one brief statement to make. I think this is very important. The State of North Dakota made an emergency appropriation of \$65,000 to help finance the reproduction of these new varieties of rust-resistant durum wheats that are being reproduced in Arizona.

We are not asking for any money. We want to make this as a statement, because North Dakota is doing everything within her reason and power to assist in fighting this program.

The CHAIRMAN. Are there any further suggestions that anybody else desires to make? If not, the hearings are closed on S. 145.

(Whereupon, at 12:15 p. m. the committee adjourned.)

84TH CONGRESS
1ST SESSION

S. 145

IN THE SENATE OF THE UNITED STATES

JANUARY 6, 1955

Mr. YOUNG (for himself, Mr. LANGER, Mr. THYE, Mr. HUMPHREY, Mr. MUNDT, Mr. CASE of South Dakota, Mr. MURRAY, and Mr. MANSFIELD) introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

A BILL

To amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That subsection (e) of section 334 of the Agricultural
4 Adjustment Act of 1938, as amended (7 U. S. C. 1334
5 (e)), is amended, beginning with the 1955 crop of wheat,
6 to read as follows:

7 “(e) Notwithstanding any other provision of this Act,
8 the Secretary shall increase the farm marketing quotas and
9 acreage allotments for the 1955 crop of wheat for farms
10 located in counties in the States of Minnesota, Montana,

1 North Dakota, and South Dakota designated by the Secre-
2 tary as counties capable of producing class II durum wheat
3 and which have produced such wheat for commercial food
4 products during one or more of the ten years 1945 through
5 1954: *Provided*, That the increase in the wheat acreage
6 allotment for any farm shall not exceed the difference be-
7 tween the acreage of cropland on the farm suitable for the
8 production of wheat and the wheat acreage allotment, if
9 any, determined without regard to this subsection, and the
10 increase in allotment shall be conditioned upon the produc-
11 tion thereon of class II durum wheat. The increase in wheat
12 acreage allotments authorized by this subsection shall be in
13 addition to the National, State, and county wheat acreage
14 allotments, and the acreage of class II durum wheat thereon
15 shall not be considered in establishing future State, county,
16 and farm acreage allotments.”

A BILL

To amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended.

By Mr. YOUNG, Mr. LANGER, Mr. THYE, Mr. HUMPHREY, Mr. MUNDT, Mr. CASE of South Dakota, Mr. MURRAY, and Mr. MANSFIELD

JANUARY 6, 1955

Read twice and referred to the Committee on
Agriculture and Forestry

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued January 24, 1955
For actions of January 21, 1955
84th-1st, No. 10

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HIGHLIGHTS: Senate committee reported durham wheat acreage increase bill. Senate received USDA's proposed bill to increase durham wheat acreage. Senate received President's economic report. Sen. Murray claimed reduced farm prices have not lowered production. Senate committee reported Peterson and McConnell nominations.

SENATE

- WHEAT ACREAGE ALLOTMENTS.** The Agriculture and Forestry Committee reported with amendments S. 145, to amend the Agricultural Adjustment Act of 1938 so as to provide for increased durham wheat acreage allotments and marketing quotas for the 1955 crop (S. Rept. 9) (p. 428).
Received from this department a proposed bill to amend the Agricultural Adjustment Act of 1938 so as to provide for increased durham wheat acreage allotments and marketing quotas for the 1955 crop; to Agriculture and Forestry Committee (p. 426).
- NOMINATIONS.** The Agriculture and Forestry Committee reported the nominations of Ervin L. Peterson and James A. McConnell to be Assistant Secretaries of Agriculture and members of the CCC Board of Directors (pp. 460-1).
Received the nominations of Harlan Bruce Hunger and George P. Daley to be members of the Federal Farm Credit Board, Farm Credit Admin. (p. 491).
- COTTON ACREAGE ALLOTMENTS.** Sen. Daniel spoke in favor of increasing the national cotton acreage allotment, if necessary, in order to provide additional acreage to low-income producing family-size farms, and he urged the Secretary to advise Congress "what type of relief would be feasible and agreeable to this administration" (pp. 486-8).

4. ECONOMIC REPORT. Received the President's economic report (H. Doc. 31); to Joint Committee on the Economic Report (p. 425).
5. FARM PRICES; ACREAGE CONTROLS. Sen. Murray stated that "farm production has risen and there is no evidence that the administration's crusade to break farm prices has helped reduce production" except where acreage controls have been put into effect, and he inserted a magazine article on this subject (p. 459).
6. REPORTS. Received REA's annual report, a report from this Department on the overobligation of an allotment for the Alaska Experiment Station, and the Commerce Department's quarterly report on export control (p. 426).
7. TIMBER; MINERALS. Received a proposed bill from the Interior Department to repeal the so-called timber and stone law; to Interior and Insular Affairs Committee (p. 426).
8. SUGAR. Sen. Welker inserted an Idaho Legislature memorial urging Congress to amend the Sugar Act of 1948 so as to enable the domestic sugar industry "to have a fair and equitable share in our Nation's growth" (pp. 426-7).
9. ELECTRIFICATION; RECLAMATION. Sen. Morse inserted a Linn County Farmers Union (Oreg.) resolution favoring Federal construction of the Hells Canyon Dam (p. 427).
10. PERSONNEL; EXPENDITURES. Sen. Byrd inserted an additional report of the Joint Committee on Reduction of Nonessential Federal Expenditures on the number of Federal personnel and their pay in the executive branch for Oct. and Nov. 1954 (pp. 429-32).
11. FOREIGN AID. The Foreign Relations Committee reported S. Res. 36, an original resolution extending from July 6, 1954 to Jan. 31, 1956 the time for that committee to make a study of technical assistance and related programs (S. Rept. 8)(p. 429).
Sen. Murray inserted and commended the Puerto Rican President's recent statement favoring continuation and strengthening of the technical assistance programs in underdeveloped foreign countries (pp. 458-9).
12. RAW MATERIALS. The Interior and Insular Affairs Committee reported S. Res. 37, an original resolution providing \$40,000 additional to that committee to continue studies and investigations (until Jan. 31, 1956) on the accessibility to the U. S. of supplies of critical raw materials essential to our security (p. 428).
13. PERSONNEL INVESTIGATIONS. The Post Office and Civil Service Committee reported with amendment S. Res. 20, providing \$250,000 to that committee for holding hearings and making investigations (\$125,000 of which may be used for investigation of the Federal employees security program)(S. Rept. 10)(p. 428).
14. FARM CREDIT. The special report of the Federal Farm Credit Board, pursuant to Sec. 2 of P. L. 202, 83rd Congress, was ordered to be printed as S. Doc. 7 (p. 453).

DURUM WHEAT ALLOTMENTS

JANUARY 21, 1955.—Ordered to be printed

Mr. YOUNG, from the Committee on Agriculture and Forestry,
submitted the following

REPORT

[To accompany S. 145]

The Committee on Agriculture and Forestry, to whom was referred the bill (S. 145) to amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, having considered the same, report thereon with a recommendation that it do pass with amendments.

Public Law 290, 83d Congress, added section 334 (e) to the Agricultural Adjustment Act of 1938, to provide for increased acreage allotments in 1954 and 1955 for durum wheat producers. However, it is restricted to producers who devote a normal share of their original allotment to durum and who have produced durum in 1 or more of the preceding 3 years. S. 145 would remove these restrictions for 1955; since experience in 1954 shows that durum producers, who have sustained serious losses due to damage from stem rust "race 15b," will not risk planting a large part of their original allotment to durum in order to obtain the additional durum allotment. The critical shortage of durum and the need for this legislation is more fully described in the attached letter from the Under Secretary of Agriculture.

The committee amendments are designed to make it perfectly clear that the additional allotments are to be restricted to "counties" which have produced such wheat, rather than "farms" which have produced such wheat.

DEPARTMENTAL VIEWS

JANUARY 20, 1955.

The honorable the PRESIDENT OF THE SENATE,

United States Senate.

DEAR MR. PRESIDENT: Enclosed for consideration by the Senate is a draft of a proposed amendment to the Agricultural Adjustment Act of 1938, as amended. We believe it to be of such importance as to require immediate and favorable consideration. It is designed to increase the production of class II durum wheat the supply of which is extremely short.

It is essential that the bill be given immediate consideration and enacted as soon after the convening of the Congress as possible. If the amendment is to be effective, farmers must be informed of its provisions prior to seeding time which begins soon after the 1st of March. It is only after enactment of the proposed amendment that we can prepare and promulgate an effective program that will induce farmers to seed increased acreages of durum wheat.

Durum wheat, class II, has a usage substantially different from that for any other class of wheat because it is the source of semolina from which satisfactory quality macaroni products are manufactured. It is a spring wheat and is grown in the States of North Dakota, South Dakota, Montana, and Minnesota. The supply situation with respect to durum wheat is critical, due to damage from stem rust "race 15b." In 1952 the production of durum wheat totaled 22 million bushels, which was only 60 percent of the 10-year 1942-51 average production of 37.4 million bushels. In 1953 the crop was 13.9 million bushels and the estimate for the 1954 crop is only 5.5 million bushels. The normal requirement for domestic use, exports, and carryover is about 35 million bushels per year.

These three successive crop failures have endangered the entire durum wheat industry both on the production and milling sides. The macaroni industry members report it is faced with a shrinking market due almost entirely to the production of an inferior product resulting from the use of classes of wheat not well suited for such products.

An effort was made by the Congress in 1953 to relieve the situation by enacting section 4 of Public Law 290 (68 Stat. 4). Under this statute the 1954 acreage allotments and marketing quotas for wheat producers who had grown durum wheat during 1 or more of the preceding 3 years were increased to permit the growing of increased acreages of durum wheat, class II. Our investigation indicates that the program, under these provisions, has not and will not be effective because (1) the seeding of other spring wheat is limited to the pro rata share of the regular wheat allotment attributable to such spring wheat as a condition of qualifying for the additional allotment for durum wheat, and (2) eligibility for the additional allotment to produce durum is dependent upon the producers having grown durum wheat, class II, in 1 or more of the preceding 3 years. Producers feel that the growing of durum wheat against the hazards of stem rust "race 15b" is too great to expect them to gamble on seeding a substantial part of their farm wheat acreage allotments to such class of wheat.

Under the proposed bill, farmers would be permitted in areas capable of producing durum wheat, class II, from which acceptable semolina may be produced for the production of satisfactory macaroni products, to grow such class of wheat over and above the regular farm wheat acreage allotments without regard to the class of wheat seeded within the allotments. The acreage permitted to be grown would be limited only by the total acreage of cropland on the farm well suited for the production of wheat. Farmers operating in the areas to be selected would be eligible for the increased allotments for durum wheat production regardless of whether they had previously produced such wheat. The increases in allotments under the bill would not be considered in determining future State, county, and farm wheat acreage allotments.

Although considerable increase in the acreage seeded to durum wheat could be expected if the proposed bill is enacted, it is not likely that the production of durum wheat will reach normal levels until adequate supplies of rust-resistant varieties of durum wheat seed are available. Four such varieties of durum wheat, class II, have been developed and further experimentation is being conducted by the North Dakota Agricultural College and Experiment Station. This station is also conducting a seed-reproduction program for such varieties. It is not expected, however, that ample seed of these varieties will become available before 1957.

The proposed bill would apply to the 1955 crop only. Although the problem may continue for 2 to 3 years, it is felt that the situation should be reexamined before continuing this type of legislation beyond 1955.

The proposal would result in a slight increase in administrative costs which can be absorbed within existing funds.

Representatives of this Department will be available to assist in any way in the consideration by the Congress of the bill.

A similar letter is being sent to the Speaker of the House of Representatives.

We are advised by the Bureau of the Budget that from the standpoint of the program of the President, there is no objection to the submission of this bill.

Sincerely yours,

TRUE D. MORSE.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in *italic*, existing law in which no change is proposed is shown in *roman*):

AGRICULTURAL ADJUSTMENT ACT OF 1938, AS AMENDED

SEC. 334. * * *

(c) **【**Notwithstanding any other provision of this Act, if after investigation the Secretary determines with respect to any class or subclass of wheat that a substantial difference exists in the usage or marketing outlets therefor and that the supply of such wheat for the 1953-54 and 1954-55 marketing years with respect to the 1954 crop, and for the 1954-55 and 1955-56 marketing years with respect to the 1955 crop, will be substantially short of indicated market demands and carryover requirements for such wheat for such marketing years, the Secretary shall increase the marketing quotas and acreage allotments for such crop of wheat for farms which produced such wheat in one or more of the preceding three years to the extent necessary to make available a supply of such wheat adequate to meet such demands and carryover requirements. The increases in farm marketing quotas and acreage allotments shall be made on the basis of the acreage seeded to such class or subclass of wheat during the period of years considered in establishing farm marketing quotas and acreage allotments for wheat. The additional acreage required by this subsection shall be in addition to the national acreage allotment, and shall not be used to increase the acreage allotment applicable to other wheat produced on farms for which such additional acreage has been allotted, nor shall such acreage be considered in establishing future State, county, and farm acreage allotments.**】** *Notwithstanding any other provision of this Act, the Secretary shall increase the farm marketing quotas and acreage allotments for the 1955 crop of wheat for farms located in counties in the States of Minnesota, Montana, North Dakota, and South Dakota designated by the Secretary as counties which (1) are capable of producing class II durum wheat and (2) have produced such wheat for commercial food products during one or more of the ten years 1945 through 1954: Provided, That the increase in the wheat acreage allotment for any farm shall not exceed the difference between the acreage of cropland on the farm suitable for the production of wheat and the wheat acreage allotment, if any, determined without regard to this subsection, and the increase in allotment shall be conditioned upon the production thereon of class II durum wheat. The increase in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and the acreage of class II durum wheat thereon shall not be considered in establishing future State, county, and farm acreage allotments.*



84TH CONGRESS
1ST SESSION

S. 145

[Report No. 9]

IN THE SENATE OF THE UNITED STATES

JANUARY 6, 1955

Mr. YOUNG (for himself, Mr. LANGER, Mr. THYE, Mr. HUMPHREY, Mr. MUNDT, Mr. CASE of South Dakota, Mr. MURRAY, and Mr. MANSFIELD) introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

JANUARY 21, 1955

Reported by Mr. YOUNG, with amendments

[Omit the part struck through and insert the part printed in italic]

A BILL

To amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That subsection (e) of section 334 of the Agricultural
4 Adjustment Act of 1938, as amended (7 U. S. C. 1334
5 (e)), is amended, beginning with the 1955 crop of wheat,
6 to read as follows:

7 “(e) Notwithstanding any other provision of this Act,
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1 North Dakota, and South Dakota designated by the Secre-
2 tary as counties *which (1) are* capable of producing class II
3 durum wheat and ~~which~~ *(2) have* produced such wheat for
4 commercial food products during one or more of the ten
5 years 1945 through 1954: *Provided*, That the increase in
6 the wheat acreage allotment for any farm shall not exceed
7 the difference between the acreage of cropland on the farm
8 suitable for the production of wheat and the wheat acreage
9 allotment, if any, determined without regard to this sub-
10 section, and the increase in allotment shall be conditioned
11 upon the production thereon of class II durum wheat. The
12 increase in wheat acreage allotments authorized by this
13 subsection shall be in addition to the National, State, and
14 county wheat acreage allotments, and the acreage of class
15 II durum wheat thereon shall not be considered in establish-
16 ing future State, county, and farm acreage allotments."

[Report No. 9]

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To amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended.

By Mr. YOUNG, Mr. LANGER, Mr. THYE, Mr. HUMPHREY, Mr. MUNDT, Mr. CASE of South Dakota, Mr. MURRAY, and Mr. MANSFIELD

JANUARY 6, 1955

Read twice and referred to the Committee on
Agriculture and Forestry

JANUARY 21, 1955

Reported with amendments

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued January 27, 1955
For actions of January 26, 1955
84th-1st, No. 13

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SENATE

1. WHEAT ALLOTMENTS AND QUOTAS. Passed as reported S. 145, to amend the Agricultural Adjustment Act of 1938 so as to provide for increased durum wheat acreage allotments and marketing quotas for the 1955 crop (pp. 630-1). The committee amendments are designed to make it clear that the additional allotments are to be restricted to counties which have produced durum wheat rather than to farms which have produced such wheat.
2. REORGANIZATION. The Government Operations Committee reported without amendment S. 613, to continue from Apr. 1, 1955 to Apr. 1, 1957, the Reorganization Act of 1949 (S. Rept. 16)(p. 606).
3. INTERGOVERNMENTAL RELATIONS. The Government Operations Committee reported with amendments S. 539, to continue the Commission on Intergovernmental Relations to June 30, 1955, and to provide for submission of its final report not later than June 30, 1955 (S. Rept. 15)(p. 606).
4. FARM CREDIT. Both Houses received FCA's proposed bill to authorize the Federal land banks to purchase certain remaining assets of the Federal Farm Mortgage Corporation; to H. Agriculture and S. Agriculture and Forestry Committees (pp. 598, 603).

5. ANIMAL QUARANTINE. Received La. Legislature resolutions requesting that the Treasury Department refuse further requests for delays in the return to Mexico of certain "smuggled Charloaise cattle and their offspring... which originated from an area in Mexico in which foot-and-mouth disease had been prevalent"; to Agriculture and Forestry Committee (pp. 604-5).
 6. POSTAL RATES. Received from the Post Office Department a proposed bill to readjust postal rates and to establish a Commission on Postal Rates; to Post Office and Civil Service Committee (p. 603).
 7. RAW MATERIALS. The Rules and Administration Committee ordered reported with amendment S. Res. 37, providing for 70,000 additional to the Interior and Insular Affairs Committee to continue studies and investigations (until Jan. 31, 1956) on the accessibility to the U. S. of supplies of critical raw materials essential to our security (p. D38).
 8. FOREIGN AID. The Rules and Administration Committee ordered reported with amendment S. Res. 36, extending the time within which the Foreign Relations Committee may make a study of technical assistance and related programs (p. D38).
 9. RUBBER. Received from the Rubber Producing Facilities Disposal Commission reports on its operations, and on expenditures for repairs, maintenance, etc., of the Government-owned rubber producing facilities during the 5-month period ending Nov. 30, 1954 (p. 603).
 10. AIR POLLUTION. Sens. Kuchel and Martin, Pa., spoke in favor of Federal aid in solving the "growing problem" of air pollution, and Sen. Kuchel inserted a newspaper editorial on this subject (pp. 618-9).
 11. RECLAMATION. Sen. Neuberger criticized "the failure to include in the 1956 Budget any funds for starting the Talent irrigation project" (pp. 623-5).
 12. FOREIGN TRADE; WOOL. Sen. Watkins discussed the President's foreign economic policy message, stated that domestic industries such as wool must be protected from foreign competition, and claimed that this country has invoked the escape-clause only four times since the Trade Agreement Extension Act of 1951 became effective (pp. 617-8).
- HOUSE
13. REORGANIZATION. Passed without amendment H. R. 2576, to continue from Apr. 1, 1955 to Apr. 1, 1958, the Reorganization Act of 1949, after rejecting amendments to limit the extension to 1 and 2 years in lieu of 3 years and to eliminate the requirement of a constitutional majority vote to veto a proposed plan. (pp. 573-94.)
 14. VETERANS' BENEFITS; EDUCATION. The Rules Committee reported a resolution providing for the consideration of H. R. 587, to provide that persons serving in the Armed Services on Jan. 31, 1955 may continue to accrue educational benefits under the Veterans' Readjustment Assistance Act of 1952 (p. 571).

84TH CONGRESS
1ST SESSION

S. 145

IN THE HOUSE OF REPRESENTATIVES

JANUARY 27, 1955

Referred to the Committee on Agriculture

AN ACT

To amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That subsection (e) of section 334 of the Agricultural
4 Adjustment Act of 1938, as amended (7 U. S. C. 1334
5 (e)), is amended, beginning with the 1955 crop of wheat,
6 to read as follows:

7 “(e) Notwithstanding any other provision of this Act,
8 the Secretary shall increase the farm marketing quotas and
9 acreage allotments for the 1955 crop of wheat for farms
10 located in counties in the States of Minnesota, Montana,
11 North Dakota, and South Dakota designated by the Secre-

1 tary as counties which (1) are capable of producing class II
2 durum wheat and (2) have produced such wheat for
3 commercial food products during one or more of the ten
4 years 1945 through 1954: *Provided*, That the increase in
5 the wheat acreage allotment for any farm shall not exceed
6 the difference between the acreage of cropland on the farm
7 suitable for the production of wheat and the wheat acreage
8 allotment, if any, determined without regard to this sub-
9 section, and the increase in allotment shall be conditioned
10 upon the production thereon of class II durum wheat. The
11 increase in wheat acreage allotments authorized by this
12 subsection shall be in addition to the National, State, and
13 county wheat acreage allotments, and the acreage of class
14 II durum wheat thereon shall not be considered in establish-
15 ing future State, county, and farm acreage allotments.”

Passed the Senate January 26, 1955.

Attest:

FELTON M. JOHNSTON,

Secretary.

AN ACT

To amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended.

JANUARY 27, 1955

Referred to the Committee on Agriculture

It is my intention to move that at the conclusion of its business today the Senate adjourn until 11 o'clock tomorrow morning. As the distinguished Senator from Georgia has said, he will not move to take up the joint resolution tomorrow until after the joint meeting of the two Houses of Congress, which will be held in the Hall of the House of Representatives.

Mr. LANGER. Mr. President, I offer an amendment to Senate Joint Resolution 28 and ask that it be printed and lie on the table.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

THE FIGHT AGAINST THE CHICAGO WATER STEAL

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the RECORD a statement which I have caused to be prepared relating to the fight against what is known as the Chicago water steal, and also a letter from the municipal port director of the city of Milwaukee.

There being no objection, the statement and letter were ordered to be printed in the RECORD as follows:

WE MUST CONTINUE TO FIGHT AGAINST THE CHICAGO WATER STEAL

For many years it has been my privilege to battle against what is generally known as the Chicago water steal; namely, the efforts by the Chicago Sanitary District to sabotage a United States Supreme Court decision limiting to 1,500 cubic feet a second diversion of water from Lake Michigan through the Chicago Sanitary Canal.

Side by side with me in this effort have been most senatorial and congressional delegations from the Great Lakes States, the Great Lakes Harbors Association, the Lake Carriers Association, and the governments of States bordering the lake. Simultaneously, the United States State Department has vigorously supported our position; namely, that any change in the Supreme Court's decision of 1930 should be effected through judicial process rather than political process; that is, by going back to the Supreme Court for review of the matter rather than by attempting to torpedo this court decision by a political action.

Our good friends to the north in Canada have repeatedly protested through diplomatic channels Chicago's attempts to abstract water from an international basin for the benefit of a single community in one nation.

And so, as Senior Senator from Wisconsin, and as ranking Republican on the Senate Foreign Relations Committee, I shall continue to oppose with all the force at my command the Chicago water steal. I shall continue to insist that studies which are now being made of the water levels on the Great Lakes by the Corps of Engineers be continued, and that no adjustment of the allowable water diversion be made until the Engineers' reports have been made and very carefully considered.

I am deeply interested in protecting the common interests of the Great Lakes area. That includes, of course, shore property owners along the lakes. But I point out that these property owners would in no way be helped by the Chicago water steal, which is actually contrary to their interests and to the interests of the lakes as a whole.

I append a splendid and hard-hitting memorandum, which was prepared by the distinguished municipal port director of Milwaukee, the Honorable Harry C. Brockel, for the mayor of Milwaukee, the Honorable

Frank P. Zeidler. This memorandum discusses the background of this issue clearly, and in a very straightforward fashion.

CITY OF MILWAUKEE,
BOARD OF HARBOR COMMISSIONERS,
Milwaukee, Wis., January 21, 1955.
Hon. FRANK P. ZEIDLER,
Mayor, City of Milwaukee,
City Hall.

DEAR MR. MAYOR: As requested, we are glad to send you herewith a memorandum concerning the legal background of the Chicago water diversion controversy, which apparently will be revived again in this session of Congress, despite Presidential veto last August of H. R. 3300 which, if enacted, would have authorized an additional 1,000 cubic second-feet of diversion from Lake Michigan through the Chicago Sanitary Canal.

The water diversion controversy arose from the circumstance that between the years 1892 and 1900, the city of Chicago and its suburbs carried out a plan to dispose of the sewage of the Chicago metropolitan area by cutting a canal across the low continental divide about 10 miles west of Lake Michigan and discharging the sewage of the entire metropolitan area into the Mississippi watershed by way of the Chicago Sanitary Canal, Des Plaines and Illinois Rivers.

This action precipitated 40 years of controversy and litigation. Ultimately, the other States of the Great Lakes Basin all the way from New York to Minnesota brought an original action in the United States Supreme Court to enjoin Chicago from the continued abstraction of waters from the Great Lakes Basin. The United States Supreme Court appointed Charles Evans Hughes as special master. After years of hearings and investigation, the Supreme Court in 1930 issued a decree based upon the findings of Special Master Hughes, who later became Chief Justice of the United States Supreme Court.

The Supreme Court held that the Chicago water diversion had caused a lowering of 6 inches in the levels of the Great Lakes. It held that the lowering of lake levels by approximately 6 inches caused "a substantial and injurious effect upon the carrying capacity of vessels, and deprived navigation and commercial interests of facilities which otherwise they would have enjoyed in commerce on the Great Lakes." The Court also held that the 6-inch lowering of the Great Lakes had caused substantial injury in connection with fishing and hunting grounds, beaches, summer resorts, and public parks.

The Court in its decree of 1930 ordered a gradual reduction in water diversion from the amounts then being taken and ordered Chicago to provide other means of disposing of the sewage of the sanitary district.

Since 1930 Chicago has slowly and reluctantly progressed the building of sewage treatment plants, and it is understood that substantially all of Chicago's sewage is now fully or partially treated.

The Supreme Court ordered that by 1937 diversion from Lake Michigan be reduced to 1,500 cubic feet per second, plus domestic pumpage. The diversion of 1,500 cubic feet per second was considered adequate to provide water circulation in the Sanitary Canal and to maintain navigation levels. No sooner had the diversion reached the level fixed by the Supreme Court in 1937 than Chicago initiated the first of its many attempts to evade the Supreme Court decree. In practically every session of Congress since 1937 bills have been introduced providing for diversion in quantities much greater than allowed by the Supreme Court decree. Numerous other efforts were made by Chicago to circumvent the decree. For example, in 1942 the Chicago Sanitary District attempted to secure from Donald Nelson, War Production Administrator, an order increasing the

diversion on the grounds that increased flow of water through the canal would permit increased generation of power at Lockport for war-production purposes. Thanks to vigilant action by Milwaukee public officials and the Great Lakes Harbors Association, this specious plea was denied.

Very shortly thereafter Chicago attempted to hoodwink the United States Public Health Service into issuing an order for increased diversion. Chicago claimed that a great pool of pollution existed in Lake Michigan, in the vicinity of its water intakes, which could be siphoned off by increased velocity of flow from Lake Michigan into the Sanitary Canal. At the same time that the sanitary district claimed that its water supply was in peril Mayor Kelly was campaigning for office and loudly proclaiming that Chicago had "the finest water supply in the world." Dr. E. R. Krumbiegel, Milwaukee health commissioner, was an effective witness in refuting this fallacious claim before the United States Public Health Service and before congressional committees.

Having been frustrated before the War Production Board, the United States Public Health Service, and congressional committees, Chicago then attempted to secure an Executive order from the late President Roosevelt authorizing increased diversion. A barrage of protest came from the Great Lakes region as a result of which the President declined to issue the order.

Chicago thereafter petitioned the Supreme Court to reopen the case on the grounds that Chicago's water supply and public health were in jeopardy. A special master was appointed by the Supreme Court, who conducted lengthy investigations and took much testimony. The special master found the Chicago claims unfounded and the Court decided to modify the decree.

Officials of the sanitary district have gone so far as to claim that increased diversion of lake water is needed for the development of atomic power at the Argonne Laboratory. Neither the State of Illinois nor the Chicago Sanitary District is in any way concerned with the development of atomic power at the Argonne Laboratory. No suggestion has ever been made by the Atomic Energy Commission that increased diversion is necessary for the operation of this atomic plant.

A variety of specious reasons have been advanced by the State of Illinois and the Chicago Sanitary District. These are not the real motives for increased diversion. The real motive is obscured in the sensational claims of the sanitary district. Increased diversion is desired because of the additional income to be derived from the development of hydroelectric power at Lockport, Ill., where the sanitary district maintains an electric powerplant and to decrease the operating expenses of the sanitary district, which becomes possible if untreated or partially treated sewage can be diluted with additional lake water. In the report of Special Master Lemann to the United States Supreme Court in March 1941 it was pointed out that the additional electricity which could be developed by a diversion of 10,000 c. f. s. is worth \$1,500 a day to the sanitary district, or \$550,000 a year.

The sanitary district has thoroughly confused the entire issue by repeated shifts of position and numerous phoney claims. Among the purposes mentioned by Illinois for requiring increased diversion of Lake Michigan water are navigation, public health, recreation, community use, agriculture, and atomic power. Every one of these claims has been thoroughly disproved. Only two conclusions can be drawn—either the securing of increased diversion has become an obsession and a fixed political objective in the Chicago area, or the sanitary district wants the water for power generation at Lockport to increase the funds available to it from sale of power.

The Great Lakes Harbors Association, the port cities of the Great Lakes, the Lake Carriers' Association, and the governments of the States bordering the Great Lakes have been united in opposition to the demands of Chicago that the waters of Lake Michigan be exploited for the political or financial benefits of the Chicago Sanitary District. The Canadian Government has repeatedly protested through diplomatic channels the attempts to abstract water from an international basin for the benefit of a single community.

For the past 40 years the Milwaukee city government has been a powerful force for the protection of community and regional interests in this matter. Milwaukee should not be diverted from its position by abusive statements emanating from Chicago, which have little or no basis in fact. The allegation that pollution in the Chicago area emanates from Milwaukee is utterly ridiculous. While the writer is no authority in the field of sewage disposal, it is my understanding that it would be physically and financially impossible to build sewage facilities of a capacity adequate to treat sudden deluges of storm water when torrential rains fall. Under these conditions, there is inevitably some mixing of storm and sanitary sewage and a flow develops beyond the capacity of our treatment plant. However, it is my understanding that quantities of sewage bypassed under these conditions are small in volume, short in duration, and so diluted as not to present a health hazard.

Chicago is obviously attempting to weaken the united front of Great Lakes interests against water diversion by endeavoring to make it appear that this is a Chicago-Milwaukee squabble. Nothing could be further from the truth, and Milwaukee's valuable and historic leadership for the protection of its interests and the interests of the entire lake region should not be diminished by these unworthy and unfounded allegations.

It has been the position of many interests on the Great Lakes that if Chicago has a legitimate basis for adjustment of the 1930 decree, it should be back to the Supreme Court and make its petition, which will become the subject of reasonable and thorough investigation. In a word, this important issue, affecting a great watershed, 2 nations, and 8 States, should be decided by the judicial processes and not by political methods.

With another temporary rise in lake levels, it can be anticipated that another hue and cry will emanate from Chicago, for more water. The Chicago Sanitary District and Chicago newspapers have done a clever propaganda job in persuading and alarming owners of shore property in Wisconsin and Michigan that increased diversion of water to the sanitary canal will solve the high water problem on Lake Michigan. The maximum correction which would result in high water in Lake Michigan as a result of H. R. 3300 would be 1 inch in 3 years. One inch of water would obviously not settle the erosion problem when the lakes rise to levels of 3 feet above normal, as they did in 1951 and 1952. On the other hand, removal of 1 inch of water from Lake Michigan as a result of the Chicago water diversion would, at the low lake level cycles, have a disastrous effect upon lake shipping. If the bulk freighter fleet on the Great Lakes has its safe draft reduced by only 1 inch, the annual loss in carrying capacity is approximately 2 million tons of cargo per season for American vessels only, excluding Canadian and ocean shipping. In the contest between erosion and navigation, the Chicago water diversion offers small comfort as an erosion preventative, but presents a very real threat to navigation and shipping on the Great Lakes.

Milwaukee, other port cities, and maritime interests of the Great Lakes region are now pressing for Federal deepening of the Great Lakes connecting channels in preparation for

the St. Lawrence seaway project. It would be most inconsistent to press for such a costly improvement and at the same time consent to other measures which would result in lowering lake levels.

We recommend that Milwaukee continue to support legislation providing for long-range study of water levels of the Great Lakes with a view to the building of control works. Such a study by the Corps of Engineers is now in progress. Its findings should be awaited before lake levels are further tampered with. In the meantime, the writer believes that it would be sound public policy to insist that Congress refrain from adjusting the allowable water diversion until lake level engineering studies are completed. The groups opposing the Chicago water diversion are now in a very powerful position, having the support of a presidential veto which will serve as a deterrent to congressional committees and to both Houses of Congress against hasty enactment of legislation such as H. R. 3300 which slipped through the Senate in the confusion of the closing hours.

Respectfully,

H. C. BROCKEL,
Municipal Port Director.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Is there further morning business? If not, morning business is closed.

AMENDMENT OF WHEAT MARKETING QUOTA PROVISIONS

Mr. LONG obtained the floor.

Mr. CLEMENTS. Mr. President, will the Senator from Louisiana yield for a unanimous-consent request?

Mr. LONG. I shall yield to the distinguished acting majority leader, with the reservation that I do not lose my right to the floor, and by that I mean that if the measure the Senator intends to take up should result in relatively lengthy debate, I shall insist on my right to proceed in the regular order.

Mr. President, I ask unanimous consent that I may reserve that right in yielding to the acting majority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate bill 145, amending the wheat marketing quota provisions of the Agricultural Adjustment Act.

There being no objection, the Senate proceeded to consider the bill (S. 145) to amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, which had been reported from the Committee on Agriculture and Forestry with amendments on page 2, line 2, after the word "counties", to insert "which (1) are", and in line 3, after the word "and", to strike out "which" and insert "(2)", so as to make the bill read:

Be it enacted, etc., That subsection (e) of section 334 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1334 (e)), is amended, beginning with the 1955 crop of wheat, to read as follows:

"(e) Notwithstanding any other provision of this act, the Secretary shall increase the farm marketing quotas and acreage allotments for the 1955 crop of wheat for farms located in counties in the States of Minnesota, Montana, North Dakota, and South Dakota designated by the Secretary as counties which (1) are capable of producing class II durum wheat and (2) have produced such

wheat for commercial food products during 1 or more of the 10 years 1945 through 1954: *Provided*, That the increase in the wheat acreage allotment for any farm shall not exceed the difference between the acreage of cropland on the farm suitable for the production of wheat and the wheat acreage allotment, if any, determined without regard to this subsection, and the increase in allotment shall be conditioned upon the production therein of class II durum wheat. The increase in wheat acreage allotments authorized by this subsection shall be in addition to the national, State, and county wheat acreage allotments, and the acreage of class II durum wheat thereon shall not be considered in establishing future State, county, and farm acreage allotments."

The amendments were agreed to.

Mr. YOUNG. Mr. President, I should like to make a very brief explanation of the bill.

The bill would permit a small increase in the production of durum wheat for a 1-year period. Durum wheat is used in making macaroni and spaghetti. Because of a severe new type of rust damage, the total production of durum wheat has declined from an average of about 35 million bushels to about 5,600,000 bushels this year. Additional acreage is badly needed. The bill is approved by the Department of Agriculture, farm organizations, the Grange, the macaroni industry, the milling industry, and by the committee.

I ask unanimous consent to have printed in the RECORD, as a part of my remarks, the committee report explaining the bill, and a tabulation showing durum wheat production for the past 10 years.

There being no objection, the report (No. 9) and tabulation were ordered to be printed in the RECORD, as follows:

The Committee on Agriculture and Forestry, to whom was referred the bill (S. 145) to amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, having considered the same, report thereon with a recommendation that it do pass with amendments.

Public Law 290, 83d Congress, added section 334 (e) to the Agricultural Adjustment Act of 1938, to provide for increased acreage allotments in 1954 and 1955 for durum wheat producers. However, it is restricted to producers who devote a normal share of their original allotment to durum and who have produced durum in 1 or more of the preceding 3 years. S. 145 would remove these restrictions for 1955; since experience in 1954 shows that durum producers, who have sustained serious losses due to damage from stem rust "race 15b," will not risk planting a large part of their original allotment to durum in order to obtain the additional durum allotment. The critical shortage of durum and the need for this legislation is more fully described in the attached letter from the Under Secretary of Agriculture.

The committee amendments are designed to make it perfectly clear that the additional allotments are to be restricted to "counties" which have produced such wheat, rather than "farms" which have produced such wheat.

DEPARTMENTAL VIEWS

JANUARY 20, 1955.

The honorable the PRESIDENT OF THE SENATE,
United States Senate.

DEAR MR. PRESIDENT: Enclosed for consideration by the Senate is a draft of a proposed amendment to the Agricultural Adjustment Act of 1938, as amended. We believe it to be of such importance as to require immediate and favorable consideration. It is designed to increase the production of class II durum

wheat, the supply of which is extremely short.

It is essential that the bill be given immediate consideration and enacted as soon after the convening of the Congress as possible. If the amendment is to be effective, farmers must be informed of its provisions prior to seeding time, which begins soon after the 1st of March. It is only after enactment of the proposed amendment that we can prepare and promulgate an effective program that will induce farmers to seed increased acreages of durum wheat.

Durum wheat, class II, has a usage substantially different from that for any other class of wheat because it is the source of semolina, from which satisfactory quality macaroni products are manufactured. It is a spring wheat and is grown in the States of North Dakota, South Dakota, Montana, and Minnesota. The supply situation with respect to durum wheat is critical, due to damage from stem rust "race 15b." In 1952 the production of durum wheat totaled 22 million bushels, which was only 60 percent of the 10-year 1942-51 average production of 37.4 million bushels. In 1953 the crop was 13.9 million bushels and the estimate for the 1954 crop is only 5.5 million bushels. The normal requirement for domestic use, exports, and carryover is about 35 million bushels per year.

These three successive crop failures have endangered the entire durum wheat industry both on the production and milling sides. The macaroni industry members report it is faced with a shrinking market due almost entirely to the production of an inferior product resulting from the use of classes of wheat not well suited for such products.

An effort was made by the Congress in 1953 to relieve the situation by enacting section 4 of Public Law 290 (68 Stat. 4). Under this statute the 1954 acreage allotments and marketing quotas for wheat producers who had grown durum wheat during 1 or more of the preceding 3 years were increased to permit the growing of increased acreages of durum wheat, class II. Our investigation indicates that the program, under these provisions, has not and will not be effective because (1) the seeding of other spring wheat is limited to the pro rata share of the regular wheat allotment attributable to such spring wheat as a condition of qualifying for the additional allotment for durum wheat, and (2) eligibility for the additional allotment to produce durum is dependent upon the producers having grown durum wheat, class II, in 1 or more of the preceding 3 years. Producers feel that the growing of durum wheat against the hazards of stem rust "race 15b" is too great to expect them to gamble on seeding a substantial part of their farm wheat acreage allotments to such class of wheat.

Under the proposed bill, farmers would be permitted in areas capable of producing durum wheat, class II, from which acceptable semolina may be produced for the production of satisfactory macaroni products, to grow such class of wheat over and above the regular farm wheat acreage allotments without regard to the class of wheat seeded within the allotments. The acreage permitted to be grown would be limited only by the total acreage of cropland on the farm well suited for the production of wheat. Farmers operating in the areas to be selected would be eligible for the increased allotments for durum wheat production regardless of whether they had previously produced such wheat. The increase in allotments under the bill would not be considered in determining future State, county, and farm wheat acreage allotments.

Although considerable increase in the acreage seeded to durum wheat could be expected if the proposed bill is enacted, it is not likely that the production of durum wheat will reach normal levels until adequate supplies

of rust-resistant varieties of durum wheat seed are available. Four such varieties of durum wheat, class II, have been developed and further experimentation is being conducted by the North Dakota Agricultural College and Experiment Station. This station is also conducting a seed-reproduction program for such varieties. It is not expected, however, that ample seed of these varieties will become available before 1957.

The proposed bill would apply to the 1955 crop only. Although the problem may continue for 2 to 3 years, it is felt that the situation should be reexamined before continuing this type of legislation beyond 1955.

The proposal would result in a slight increase in administrative costs, which can be absorbed within existing funds.

Representatives of this Department will be available to assist in any way in the consideration by the Congress of the bill.

A similar letter is being sent to the Speaker of the House of Representatives.

We are advised by the Bureau of the Budget that from the standpoint of the program of the President, there is no objection to the submission of this bill.

Sincerely yours,

TRUE D. MORSE.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

AGRICULTURAL ADJUSTMENT ACT OF 1938, AS AMENDED

SEC. 334. * * *

(e) [Notwithstanding any other provision of this act, if after investigation the Secretary determines with respect to any class or subclass of wheat that a substantial difference exists in the usage or marketing outlets therefor and that the supply of such wheat for the 1953-54 and 1954-55 marketing years with respect to the 1954 crop, and for the 1954-55 and 1955-56 marketing years with respect to the 1955 crop, will be substantially short of indicated market demands and carryover requirements for such wheat for such marketing years, the Secretary shall increase the marketing quotas and acreage allotments for such crop of wheat for farms which produced such wheat in one or more of the preceding 3 years to the extent necessary to make available a supply of such wheat adequate to meet such demands and carryover requirements. The increases in farm marketing quotas and acreage allotments shall be made on the basis of the acreage seeded to such class or subclass of wheat during the period of years considered in establishing farm marketing quotas and acreage allotments for wheat. The additional acreage required by this subsection shall be in addition to the national acreage allotment, and shall not be used to increase the acreage allotment applicable to other wheat produced on farms for which such additional acreage has been allotted, nor shall such acreage be considered in establishing future State, county, and farm acreage allotments.] *Notwithstanding any other provision of this act, the Secretary shall increase the farm marketing quotas and acreage allotments for the 1955 crop of wheat for farms located in counties in the States of Minnesota, Montana, North Dakota, and South Dakota designated by the Secretary as counties which (1) are capable of producing class II durum wheat and (2) have produced such wheat for commercial food products during 1 or more of the 10 years 1945 through 1954: Provided, That the increase in the wheat acreage allotment for any farm shall not exceed the difference between the acreage of cropland on the farm suitable for the production of wheat and the wheat acre-*

age allotment, if any, determined without regard to this subsection, and the increase in allotment shall be conditioned upon the production thereon of class II durum wheat. The increase in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and the acreage of class II durum wheat thereon shall not be considered in establishing future State, county, and farm acreage allotments.

Durum production for the past 10 years

	National	North Dakota
1945-----	32,800,000	29,900,000
1946-----	35,800,000	32,400,000
1947-----	44,300,000	40,500,000
1948-----	45,100,000	40,500,000
1949-----	39,100,000	34,300,000
1950-----	37,200,000	32,400,000
1951-----	34,800,000	28,600,000
1952-----	22,500,000	20,000,000
1953-----	13,000,000	12,100,000
1954-----	5,600,000	5,000,000

NOTE.—United States figures are for the States including Minnesota, North Dakota, and South Dakota. Figures include red durum, which is generally less than a million bushels per year.

Mr. DANIEL. Mr. President, will the Senator yield for a question?

Mr. YOUNG. I yield to the Senator from Texas.

Mr. DANIEL. Do I understand correctly that the bill provides for the increased allotment for a period of only 1 year?

Mr. YOUNG. One year.

Mr. DANIEL. The bill does not propose to restrict the planting of that crop in any other area, and will have no effect whatever except for a period of 1 year. Is that correct?

Mr. YOUNG. Yes.

Mr. DANIEL. I may say to the Senator from North Dakota that I have received inquiries concerning the bill, and certain objections were raised, which I think the Senator from North Dakota has met by the elimination of certain language from his bill.

Mr. YOUNG. I should like to add that the bill would permit the production of durum wheat on undiverted acres in any county in the United States which had a previous history of raising durum wheat. If the county had produced any durum wheat in the past 10 years, the farmers in that area would be permitted to produce additional durum wheat.

Mr. DANIEL. For 1 year?

Mr. YOUNG. For 1 year.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AUTHORIZATION FOR USE OF ARMED FORCES TO PROTECT SECURITY OF FORMOSA

Mr. LONG. Mr. President, I have been seriously worried about the request for the passage by Congress of a joint resolution authorizing the President to conduct military operations for the defense of Formosa, the Pescadores, and other islands along the China coast. Let me say that as one Member of this body I very much appreciate the fact that the

President has undertaken to request of the Congress our advice and consent to military actions that might well lead to world war III. It is an extremely grave decision that Congress is called upon to make. Its gravity should not be underrated, nor should it be arrived at without thoughtful consideration.

Yesterday the House voted 409 to 3 in favor of the resolution, only 1 day after its introduction, without having the benefit of a single day's hearings. The argument that prevailed on the floor of the House was that we should back the President. I do not agree that that is the basis upon which we should decide this issue. It seems to me that it is our duty to give the President and the Nation the benefit of our best advice after we have fully informed ourselves on the subject.

I do not have the advantage of presently being a member of either the Senate Committee on Armed Services or the Committee on Foreign Relations. Those committees have been conducting hearings for 2 days, and able members of those committees have been developing the problems involved in the commitment which we are asked to make.

It is well that the entire public of the United States should go into this matter with their eyes open. Up to this point, as a former member of the Committee on Armed Services, and as one who served on that committee when President Truman ordered the 7th Fleet to defend the strait between Formosa and the mainland, I have never interpreted that obligation as extending to the small islands within easy artillery range of the Chinese mainland held by the Communists.

I would not attempt to compare my judgment with that of the members of the Joint Chiefs of Staff. Nevertheless, as a veteran of three amphibious landings, I have some practical understanding of the difficulties of an amphibious landing. I say to my colleagues that there is all the difference in the world between committing our fleet to the defense of a strait more than 75 miles wide, defending islands more than 50 miles beyond the horizon, so far as the Communists are concerned, and holding islands a mere stone's throw from the Chinese mainland. To me it is inconceivable that it would be at all difficult for the greatest naval power on the earth to defeat an amphibious landing attempted by a force, totally lacking in modern seapower, against a well-armed island manned by 500,000 troops. Yet, I can envision eventualities that could lead to an all-out war if the President were to take full advantage of the invitation in the resolution as presently worded.

If I understand the situation correctly, it is the feeling of the responsible military authorities of this country that our forces should undertake to attack the Chinese mainland prior to the time that our opponent could launch any amphibious invasion. The mere concentration of Communist Chinese troops at any point along more than 200 miles of shoreland could serve as justification for heavy bombardment of Red Chinese

ports. This is far more than our Nation has thus far committed itself to do.

When President Truman committed this Nation to resist aggression, it resulted in severe criticism, as the hardships of such a course became apparent. We owe it to the people of the United States to explore fully and to understand fully the extent of the commitments we are asked to make and the possibilities to which they may lead.

If this resolution is to be regarded as a decision to ask for a showdown with China, and Russia as well, then we should face it as such. We should realize that to become involved in a war with Russia under such circumstances would mean that the many allies, numbering more than 400 million persons committed to our side in the event of Communist aggression, would have no obligation to come to our aid. It would be strictly the type of go-it-alone policy that has previously been advocated by some of our military commanders in the Pacific.

It would be with the utmost regret that I should feel forced to vote against the resolution requested by the President. Nevertheless, I believe in my conscience that I owe it to those whom I have the honor in part to represent to vote my own convictions in this matter after learning the facts, rather than to approve without study the judgment of the President or Admiral Radford.

I am extremely concerned about that fact that we have not made available to the American people the information that has been developed in hearings on this joint resolution. Mr. President, at this point let me say it is my understanding that we shall have no printed hearings on this matter when it comes before this body for consideration. If keeping the public somewhat in the dark is necessary to prevent our enemies from knowing our intentions, then at least Senators should avail themselves of the facts and of our intentions prior to the vote. It is for that reason that I wish to request that we not be in such a wild rush to pass the joint resolution before all Members have had the opportunity to apprise themselves fully as to the effect of their vote.

This joint resolution need not be rushed through today or tomorrow. After all, we have the capabilities of defeating any enemy Communist effort to capture Formosa and the Pescadores. The entire world knows of our intention to do so.

Having seen our great fleet in action, I have not the slightest doubt that it could prevent any major organized landing on Formosa. It could do this without bombing China prior to the initiation of such a landing, if there is the slightest determination or will to fight on behalf of Chiang Kai-shek's troops on Formosa, and I am confident that such a determination exists.

Yet if we pass the joint resolution in its present form, it would be urged by the friends of Chiang Kai-shek that it would be appeasement for our President to permit the Chinese Communists to capture any one of many islands held by the Chinese Nationalists along the China

coast. For myself, I fully believe that Chiang Kai-shek and his friends have no more certain purpose than to have the United States fully involved in all-out war with Red China, even if this should mean war with Russia.

Once Congress has given this matter the green light, it would be difficult for the President to resist the urging to extend our protection even closer to the Chinese mainland, in holding tiny islands that are of little value to the defense of our essential interests. Every person who urged that we should hold back would be accused of being an appeaser. When troops are concentrated opposite small islands along the China coast, the hue and cry would be raised across the land that our forces should bombard the mainland of China.

I do not regard it as a bad thing that we have many able fighting men who believe that war with the Communist powers is inevitable. After all, a good fighter will never be fully prepared unless he believes he is going to fight. However, we should be careful that those of us trusted with the policy decisions do not permit our judgment to be colored too much by those forceful men of action who become impatient with those who attempt to make their action unnecessary.

It is also fair that we give the American people an opportunity to be heard in the making of this decision. So far they have hardly heard it discussed. Although I am not one to decide my vote in such a matter by popular sentiment, I believe it only fair to our people that the question of carrying warfare to the China mainland and the possibility of Chinese counteraction, together with the steps that might be expected from China's powerful ally, Russia, in support of the Chinese Communists, should be made clear. Thus far the American people have not been informed of the implications of this joint resolution. They do not realize that our commitments are being extended far beyond anything any of us have realized prior to this time.

Let us be true to our responsibilities by so carefully studying this joint resolution that we give the President our best advice. Let us arrive at a joint resolution which we can support with the assurance that it offers the best possibility for world peace.

IN OPPOSITION TO PREVENTIVE WAR

Mr. MORSE. Mr. President, in the course of my life I have delivered many speeches; but I have never delivered a more difficult one, or one which carries a greater obligation and responsibility to my conscience and to what I consider to be my patriotic duty, than the speech I am about to make on the floor of the United States Senate.

During the course of this speech I shall not yield, Mr. President, because I wish to have appear in the Record a statement of continuity, setting forth the reasons for the vote I cast this morning in the joint meeting of the Committee on Foreign Relations and the Com-

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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84th-1st, No. 19

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HIGHLIGHTS: House committee ordered reported durum wheat acreage increase bill. House conferees were appointed on Reorganization bill. House committee reported selective-service extension bill. Rep. Brown, Ga., spoke in favor of increase in cotton allotment and urged greater effort to sell surplus commodities abroad.

HOUSE

1. WHEAT. The Agriculture Committee ordered reported without amendment S. 145, to amend the Agricultural Adjustment Act of 1938 so as to provide for increased durum wheat acreage allotments and marketing quotas for 1955 (p. 964).
2. REORGANIZATION. House conferees were appointed on H. R. 2576, to continue the Reorganization Act of 1949 (p. 937). Senate conferees have not yet been appointed.
3. SELECTIVE SERVICE. The Armed Services Committee reported with amendment H. R. 3005, to extend selective service for 4 years until July 1, 1959, etc. (H. Rept. 19)(p. 944).
4. PERSONNEL. The House Administration Committee reported without amendment H. R. 3406, to permit and assist Federal personnel and their families to vote (H. Rept. 20)(p. 944).
5. COTTON ALLOTMENTS; SURPLUS COMMODITIES. Rep. Brown, Ga., spoke in favor of his bill, H. R. 23, to increase the 1955 cotton acreage allotment up to the level provided by the 1954 law for each State whose 1955 allotment is below this level, and urged greater effort to sell agricultural commodities abroad (pp. 935-6).

6. COMMITTEE ASSIGNMENTS. Following is a House Agriculture Committee release dated Feb. 2:

"Completing organization of the House Committee on Agriculture for its work in the 84th Congress, Chairman Harold D. Cooley, Democrat of North Carolina, announced today the creation of sixteen Subcommittees to study the varied operations and problems of Agriculture.

"Chairman Cooley and Representative Clifford R. Hope, ranking minority member of the full committee, will serve as members of all subcommittees.

"Special action subcommittees were named as follows:

"Conservation and Credit - Rep. Poage (D-Tex.), Chairman, and Reps. Grant (D-Ala.), Bass (D-Tenn.), Hill (R-Colo.), and McIntire (R-Me.).

"Domestic Marketing - Rep. Grant (D-Ala.), Chairman, and Reps. Hagen (D-Calif.), Anfuso (D-N.Y.), Knutson (D-Minn.), Belcher (R-Okla.), Williams (R-N.Y.), and King (R-Pa.).

"Departmental Administration and Crop Insurance - Rep. McMillan (D-S.C.), Chairman, and Reps. Jones (D-Mo.), Watts (D-Ky.), Dague (R-Pa.) and Laird (R-Wisc.).

"Equipment, Supplies and Manpower - Rep. Gathings (D-Ark.), Chairman, and Rep. Abbitt (D-Va.), Thompson (D-Tex.), Hoeven (R-Iowa), and Simpson (R-Ill.).

"Research and Extension - Rep. Abernethy (D-Miss.), Chairman, and Reps. Polk (D-Ohio), Johnson (D-Wisc.), Jennings (D-Va.), Andresen (R-Minn.), Harrison (R-Neb.), and Dixon (R-Utah).

"Foreign Agricultural Operations - Rep. Poage (D-Tex.), Chairman, and Reps. Albert (D-Okla.), Jones (D-Mo.), Matthews (D-Fla.), Hoeven (R-Iowa), Harvey (R-Ind.), and Lovre (R-S.D.).

"Mr. Cooley created ten Commodity Subcommittees, with the permanent membership listed below. By formal action the Committee provided that all members of the full committee are members of any commodity subcommittee while in attendance at such meeting. These subcommittees follow:

"Livestock and Feed Grains - Rep. Poage (D-Tex.), Chairman, and Reps. Albert (D-Okla.), Jennings (D-Va.), Matthews (D-Fla.), Hill (R-Colo.), Hoeven (R-Iowa), and Harvey (R-Ind.).

"Forest Products - Rep. Grant (D-Ala.), Chairman, and Reps. McMillan (D-S.C.), Matthews (D-Fla.), McIntire (R-Me.), and Laird (R-Wisc.).

"Cotton - Rep. Gathings (D-Ark.), Chairman, and Reps. Poage (D-Tex.), Abernethy (D-Miss.), Simpson (R-Ill.), and Belcher (R-Okla.).

"Peanuts - Rep. McMillan (D-S.C.), Chairman, and Reps. Poage (D-Tex.), Grant (D-Ala.), Albert (D-Okla.), Lovre (R-S.D.), Harrison (R-Neb.), and Belcher (R-Okla.).

"Dairy Products - Rep. Abernethy (D-Miss.), Chairman, and Reps. Polk (D-Ohio), Johnson (D-Wisc.), Knutson (D-Minn.), Andresen (R-Minn.), Williams (R-N.Y.), and Laird (R-Wisc.).

"Wheat - Rep. Albert (D-Okla.), Chairman, and Reps. Watts (D-Ky.), Bass (D-Tenn.), Jennings (D-Va.), Hill (R-Colo.), Lovre (R-S.D.), and Belcher (R-Okla.).

"Tobacco - Rep. Abbitt (D-Va.), Chairman, and Reps. Polk (D-Ohio), Watts (D-Ky.), Bass (D-Tenn.), Hoeven (R-Iowa), Dague (R-Pa.), and Laird (R-Wisc.).

"Poultry and Eggs - Rep. Polk (D-Ohio), Chairman, and Reps. Thompson (D-Tex.), Anfuso (D-N.Y.), Johnson (D-Wisc.), Harrison (R-Neb.), Dixon (R-Utah), and McIntire (R-Me.).

"Rice - Rep. Thompson (D-Tex.), Chairman, and Reps. Gathings (D-Ark.), Hagen (D-Calif.), Williams (R-N.Y.), and King (R-Pa.).

"Soybeans and Oilseeds - Rep. Jones (D-Mo.), Chairman, and Reps. Abernethy (D-Miss.), Hagen (D-Calif.), Simpson (R-Ill.), and Harvey (R-Ind.).

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

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HIGHLIGHTS: Both Houses received President's school construction message. House committee reported durum wheat acreage increase bill. House passed selective service bill after adopting amendment on farm deferments. House subcommittee voted to report bill to repeal ACP tie-in with acreage allotments.

HOUSE

1. WHEAT ALLOTMENTS. The Agriculture Committee reported without amendment S. 145, to amend the Agricultural Adjustment Act of 1938 so as to provide for increased durum wheat acreage allotments and marketing quotas for 1955 (H. Rept. 24) (p. 1145).
2. LAND TRANSFER. The Agriculture Committee reported without amendment H. J. Res. 107, to permit this Department to release reversionary rights in certain property (formerly FHA) for school purposes in Kern County, Calif. (H. Rept. 23)(p. 1145).
3. PERSONNEL. The House Administration Committee submitted a supplemental report on H. R. 3406, to permit and assist Federal personnel and their families to vote (H. Rept. 20, Part 2)(p. 1145).
4. SOIL CONSERVATION. The Subcommittee on Conservation and Credit approved for reporting to the Agriculture Committee H. R. 1573, to repeal Sec. 348 of the Agricultural Adjustment Act of 1938, which makes ACP payments contingent upon compliance with acreage allotments on basic crops (p. D79).

5. SELECTIVE SERVICE. Passed, 394 to 4, with amendments H. R. 3005, which extends selective service for 4 years until July 1, 1959, reduces the liability for induction from age 35 to 26 for men who enlist in organized units of the National Guard prior to attaining the age of 18½, and provides that no person who has served 6 months or more of honorable active duty in the Armed Forces after Sept. 16, 1940, shall be liable for induction under selective service except in time of war or national emergency (pp. 1102-29).

Agreed to a Harrison, Va., amendment providing that no person who has been otherwise found, on his individual status, eligible for deferment because his employment has been determined to be necessary to maintain national health, safety, or interest, shall be granted a deferment because of a shortage of any agricultural commodity, or denied a deferment because of a surplus of any agricultural commodity (pp. 1124-5).

6. EDUCATION. Both Houses received the President's message on school construction containing recommendations providing for Federal aid to States and local governments for construction of public schools (H. Doc. 84); to House Education and Labor Committee and Senate Labor and Public Welfare Committee (pp. 1047, 1101-2).

Received from HEW a proposed bill to authorize Federal assistance to States and communities to increase public elementary and secondary school construction; to Education and Labor Committee (p. 1145).

7. BANKING AND CURRENCY. Both Houses received the President's message transmitting a report of the National Advisory Council on International Monetary and Financial Problems on its operations from Oct. 1, 1953, to June 30, 1954, and describing the participation of the U. S. in the International Monetary Fund and the International Bank for Reconstruction and Development for the period Apr. 1 to June 30, 1954 (H. Doc. 85)(pp. 1047, 1102).

8. TARIFFS. Rep. Mollohan claimed that Dr. Gallup, from the results of his recent poll, "draws the conclusion that the majority of the American people favor what the President proposes" in reducing tariffs, "yet the figures from which Dr. Gallup draws this conclusion say exactly the opposite" (p. 1132).

Rep. Rogers, Mass., claimed that if the tariff "reduction proposed in textiles is pursued, it will mean almost complete annihilation of both the woolen and textile industries" (p. 113-7).

9. ADJOURNED until Thurs., Feb. 10 (p. 1145).

SENATE

10. COMMODITY EXCHANGES. Both Houses received from this Department a proposed bill to amend section 8a (4) of the Commodity Exchange Act so as to authorize the Secretary to fix reasonable fees for registrations, renewals, and copies of registration certificates issued to futures commission merchants and floor brokers; to S. Agriculture and Forestry and H. Agriculture Committees (pp. 1047, 1145).

11. VETERANS' BENEFITS; EDUCATION. The Labor and Public Welfare Committee reported without amendment H. R. 587, to provide that persons in the Armed Forces on Jan. 31, 1955, may continue to accrue educational benefits to Jan. 31, 1965 (S. Rept. 26)(p. 1052).

1955 DURUM WHEAT ALLOTMENTS

FEBRUARY 8, 1955.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. COOLEY, from the Committee on Agriculture, submitted the following

R E P O R T

[To accompany S. 145]

The Committee on Agriculture, to whom was referred the bill (S. 145) to amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The purpose of this bill is to provide an inducement for farmers in the durum wheat area to devote part of their acreage in 1955 to efforts to produce class II durum wheat, the supply of which is critically short. This wheat is used exclusively for the manufacture of macaroni products and is the only wheat which can be used satisfactorily for this purpose. It is not used for ordinary bakery products.

Our normal requirement for this type of wheat is about 35 million bushels a year. As the result of the appearance and heavy infestation in the past 3 years of stem rust type 15b, however, our production of type II durum was reduced to 22 million bushels in 1952, about 14 million bushels in 1953, and an estimated 5.5 million bushels in 1954.

Because of the great risk of crop failure and the high cost of seed, farmers are naturally reluctant to take a chance in 1955 of planting type II durum on their reduced wheat acreage allotment. This bill authorizes the Secretary of Agriculture to allot additional acreage to those farmers in the durum wheat area who are willing to take the financial risk of planting this particular type of wheat in 1955. The additional acreage would not be counted in establishing future State, county, or farm acreage allotments.

The production of class II durum wheat of commercial quality is closely related to particular climatic conditions and has been limited in the United States to areas in the States of Minnesota, Montana, North Dakota, and South Dakota. Because of the extreme shortage

of seed for 1955, the authority of the Secretary to allot additional acres for class II durum production in 1955 is limited to the area where past experience has demonstrated that climatic conditions are suitable for the production of this wheat.

The committee points out, however, that this restriction applies only to the additional acres which may be allotted specifically for the production of class II durum and that there is nothing in this bill nor in the laws relating to wheat marketing quotas and acreage allotments which prevents any farmer, anywhere in the United States, from planting any or all of his wheat acreage to class II durum. It also points out that the wheat marketing quota law provides that any farmer may plant and market up to a total of 15 acres of any type of wheat (including durum) without being subject to the marketing quota provisions.

Enactment of this legislation was recommended by the Department of Agriculture in an executive communication to the President of the Senate and the Speaker of the House of Representatives. The text of the communication follows:

DEPARTMENT OF AGRICULTURE,
Washington 25, D. C., January 20, 1955.

The honorable the SPEAKER OF THE HOUSE OF REPRESENTATIVES.

DEAR MR. SPEAKER: Enclosed for consideration by the House is a draft of a proposed amendment to the Agricultural Adjustment Act of 1938, as amended. We believe it to be of such importance as to require immediate and favorable consideration. It is designed to increase the production of class II durum wheat, the supply of which is extremely short.

It is essential that the bill be given immediate consideration and enacted as soon after the convening of the Congress as possible. If the amendment is to be effective farmers must be informed of its provisions prior to seeding time which begins soon after the first of March. It is only after enactment of the proposed amendment that we can prepare and promulgate an effective program that will induce farmers to seed increased acreages of durum wheat.

Durum wheat class II, has a usage substantially different than that for any other class of wheat because it is the source of semolina from which satisfactory quality macaroni products are manufactured. It is a spring wheat and is grown in the States of North Dakota, South Dakota, Montana, and Minnesota. The supply situation with respect to durum wheat is critical, due to damage from stem rust race 15b. In 1952 the production of durum wheat totaled 22 million bushels, which was only 60 percent of the 10-year 1942-51 average production of 37.4 million bushels. In 1953 the crop was 13.9 million bushels, and the estimate for the 1954 crop is only 5.5 million bushels. The normal requirement for domestic use, exports, and carryover is about 35 million bushels per year.

These three successive crop failures have endangered the entire durum wheat industry both on the production and milling sides. The macaroni industry members report it is faced with a shrinking market due almost entirely to the production of an inferior product resulting from the use of classes of wheat not well suited for such products.

An effort was made by the Congress in 1953 to relieve the situation by enacting section 4 of Public Law 290 (68 Stat. 4). Under this statute the 1954 acreage allotments and marketing quotas for wheat producers who had grown durum wheat during 1 or more of the preceding 3 years were increased to permit the growing of increased acreages of durum wheat class II. Our investigation indicates that the program, under these provisions, has not and will not be effective because (1) the seeding of other spring wheat is limited to the pro rata share of the regular wheat allotment attributable to such spring wheat as a condition of qualifying for the additional allotment for durum wheat, and (2) eligibility for the additional allotment to produce durum is dependent upon the producers having grown durum wheat class II, in 1 or more of the preceding 3 years. Producers feel that the growing of durum wheat against the hazards of stem rust race 15b is too great to expect them to gamble on seeding a substantial part of their farm wheat acreage allotments to such class of wheat.

Under the proposed bill farmers would be permitted in areas capable of producing durum wheat, class II, from which acceptable semolina may be produced for the production of satisfactory macaroni products, to grow such class of wheat over and above the regular farm wheat acreage allotments without regard to the class of wheat seeded within the allotments. The acreage permitted to be grown would be limited only by the total acreage of cropland on the farm well suited for the production of wheat. Farmers operating in the areas to be selected would be eligible for the increased allotments for durum wheat production regardless of whether they had previously produced such wheat. The increases in allotments under the bill would not be considered in determining future State, county, and farm wheat acreage allotments.

Although considerable increase in the acreage seeded to durum wheat could be expected if the proposed bill is enacted, it is not likely that the production of durum wheat will reach normal levels until adequate supplies of rust-resistant varieties of durum wheat seed are available. Four such varieties of durum wheat, class II, have been developed and further experimentation is being conducted by the North Dakota Agricultural College and Experiment Station. This station is also conducting a seed reproduction program for such varieties. It is not expected, however, that ample seed of these varieties will become available before 1957.

The proposed bill would apply to the 1955 crop only. Although the problem may continue for 2 to 3 years, it is felt that the situation should be reexamined before continuing this type of legislation beyond 1955.

The proposal would result in a slight increase in administrative costs which can be absorbed within existing funds.

Representatives of this Department will be available to assist in any way in the consideration by the Congress of the bill.

A similar letter is being sent to the President of the Senate.

We are advised by the Bureau of the Budget that from the standpoint of the program of the President, there is no objection to the submission of this bill.

Sincerely yours,

TRUE D. MORSE,
Acting Secretary.

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the rules of the House of Representatives, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

AGRICULTURAL ADJUSTMENT ACT OF 1938, AS AMENDED

SEC. 334. * * *

(e) [Notwithstanding any other provision of this Act, if after investigation the Secretary determines with respect to any class or subclass of wheat that a substantial difference exists in the usage or marketing outlets therefor and that the supply of such wheat for the 1953-54 and 1954-55 marketing years with respect to the 1954 crop, and for the 1954-55 and 1955-56 marketing years with respect to the 1955 crop, will be substantially short of indicated market demands and carryover requirements for such wheat for such marketing years, the Secretary shall increase the marketing quotas and acreage allotments for such crop of wheat for farms which produced such wheat in one or more of the preceding three years to the extent necessary to make available a supply of such wheat adequate to meet such demands and carryover requirements. The increases in farm marketing quotas and acreage allotments shall be made on the basis of the acreage seeded to such class or subclass of wheat during the period of years considered in establishing farm marketing quotas and acreage allotments for wheat. The additional acreage required by this subsection shall be in addition to the national acreage allotment, and shall not be used to increase the acreage allotment applicable to other wheat produced on farms for which such additional acreage has been allotted, nor shall such acreage be considered in establishing future State, county, and farm acreage allotments.] *Notwithstanding any other provision of this Act, the Secretary shall increase the farm marketing quotas and acreage allotments for the*

1955 crop of wheat for farms located in counties in the States of Minnesota, Montana, North Dakota, and South Dakota designated by the Secretary as counties which (1) are capable of producing class II durum wheat and (2) have produced such wheat for commercial food products during one or more of the ten years 1945 through 1954: Provided, That the increase in the wheat acreage allotment for any farm shall not exceed the difference between the acreage of cropland on the farm suitable for the production of wheat and the wheat acreage allotment, if any, determined without regard to this subsection, and the increase in allotment shall be conditioned upon the production thereon of class II durum wheat. The increase in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and the acreage of class II durum wheat thereon shall not be considered in establishing future State, county, and farm acreage allotments.



84TH CONGRESS
1ST SESSION

S. 145

[Report No. 24]

IN THE HOUSE OF REPRESENTATIVES

JANUARY 27, 1955

Referred to the Committee on Agriculture

FEBRUARY 8, 1955

Committed to the Committee of the Whole House on the State of the Union
and ordered to be printed

AN ACT

To amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That subsection (e) of section 334 of the Agricultural
4 Adjustment Act of 1938, as amended (7 U. S. C. 1334
5 (e)), is amended, beginning with the 1955 crop of wheat,
6 to read as follows:

7 “(e) Notwithstanding any other provision of this Act,
8 the Secretary shall increase the farm marketing quotas and
9 acreage allotments for the 1955 crop of wheat for farms
10 located in counties in the States of Minnesota, Montana,

1 North Dakota, and South Dakota designated by the Secre-
2 tary as counties which (1) are capable of producing class II
3 durum wheat and (2) have produced such wheat for
4 commercial food products during one or more of the ten
5 years 1945 through 1954: *Provided*, That the increase in
6 the wheat acreage allotment for any farm shall not exceed
7 the difference between the acreage of cropland on the farm
8 suitable for the production of wheat and the wheat acreage
9 allotment, if any, determined without regard to this sub-
10 section, and the increase in allotment shall be conditioned
11 upon the production thereon of class II durum wheat. The
12 increase in wheat acreage allotments authorized by this
13 subsection shall be in addition to the National, State, and
14 county wheat acreage allotments, and the acreage of class
15 II durum wheat thereon shall not be considered in establish-
16 ing future State, county, and farm acreage allotments.”

Passed the Senate January 26, 1955.

Attest:

FELTON M. JOHNSTON,

Secretary.

84TH CONGRESS
1ST SESSION

S. 145

[Report No. 24]

AN ACT

To amend the wheat marketing quota provisions
of the Agricultural Adjustment Act of 1938,
as amended.

JANUARY 27, 1935

Referred to the Committee on Agriculture

FEBRUARY 8, 1935

Committed to the Committee of the Whole House on
the State of the Union and ordered to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: House completed congressional action on durum wheat acreage increase bill. House received appropriation estimate for insects and plant diseases and forest-pest control.

HOUSE

1. WHEAT ALLOTMENTS. Passed without amendment S. 145, to amend the Agricultural Adjustment Act of 1938 so as to provide for increased durum wheat acreage allotments and marketing quotas for 1955 (pp. 1214-5). This bill will now be sent to the President.
2. TRADE AGREEMENTS. The Ways and Means Committee voted to report H. R. 1, to extend until June 30, 1958, the President's authority to enter into trade agreements, and agreed to amendments to make it clear that provisions of existing law such as Section 22 of the Agricultural Adjustment Act of 1933 will prevail despite any provision in a trade agreement and that enactment of this bill will not imply congressional approval or disapproval of the organizational provisions of GATT (p. D89).
The Committee was granted permission to file the report on this bill by midnight, Feb. 14 (p. 1205).
Rep. Davis, Ga., stated that he would like to support H. R. 1, but that "it is imperative that the bill contain adequate safeguards to prevent the destruction of the domestic market for our textile goods" (pp. 1211-2).
3. APPROPRIATIONS. Received from the President a proposed supplemental appropriation estimate for the fiscal year 1955, which includes funds for this Department in the amounts of \$2,570,000 for control of forest pests and \$700,000 for control of insects and plant diseases (H. Doc. 88); to Appropriations Committee (p. 1233).

4. PRICE SUPPORTS. Following is a Feb. 9 release from the Agriculture Committee:

"Representative Harold D. Cooley, Chairman of the House Committee on Agriculture, announced today that hearings will start Friday, February 17th, on his bill (H. R. 12) to reestablish 90 percent of parity price supports for basic commodities, and all similar bills. Secretary of Agriculture Ezra T. Benson will be the first witness.

"With the exception of the Secretary's testimony, Chairman Cooley said, the hearings will be limited to the specific subject covered by the bills -- the level of price supports for basic commodities.

"Secretary Benson has also been asked to give the Committee his recommendations for a dairy support program in line with the study made by the Department pursuant to the farm bill passed in the Eighty-third Congress. This subject will then be explored further by a subcommittee.

"Pointing out that the committee devoted several months and traveled many thousands of miles during the Eighty-third Congress to hear testimony from farmers and local organizations on this subject, Mr. Cooley said that the testimony at this hearing will be limited to general organizations of national scope and that he expects to complete the hearings by February 25.

"All hearings will be held in the Agriculture Committee room, 1310 New House Office Building, will start at 10:00 A.M., and will be open to the public."

5. CROP INSURANCE. Received from this Department a proposed bill to amend the Federal Crop Insurance Act so as to provide that the direct cost of loss adjusters for crop inspection and loss adjustments may be considered as non-administrative or non-operating expense and that administrative and operating expenses in excess of appropriated funds may be paid from premium income; to Agriculture Committee (p. 1233).

6. WATER RESOURCES. Received from the Interior Department a proposed bill to authorize that Department to investigate and report to Congress on projects for the conservation, development, and utilization of Alaskan water resources; to Interior and Insular Affairs Committee (p. 1233).

7. MINERALS; LANDS. Received from the Interior Department a bill to amend the Mineral Leasing Act for acquired lands with respect to disposal of mineral deposits in which the U.S. ^{owns} a partial or future interest; to Interior and Insular Affairs Committee (p. 1233).

8. PROPERTY. Rep. McCormack spoke in favor of his bill, H. R. 3322, to amend the Federal Property and Administrative Services Act of 1949 so as to improve the administration of the program for the utilization of surplus property for education and public health purposes (p. 1214).

9. COMMITTEES. Received reports from the various standing committees on their personnel and funds, including the following: Agriculture, Appropriations, Government Operations, and Post Office and Civil Service (pp. 1227-33).

10. ADJOURNED until Mon., Feb. 14 (p. 1227). Legislative program as announced by Majority Leader McCormack: Mon. and Tues., no business; Thurs. and Fri., if cleared by Rules Committee, the trade agreements extension bill (p. 1214).

try he has spread in his many travels throughout the world.

Detroit is proud of the work of its community leaders and is proud that it was selected as the official American site by our Olympic Association.

But this honor and the opportunity to make a substantial contribution to international good will would not be for Detroit alone. The entire Nation would share in this enterprise. The athletic eyes of the world would be focused on our great country for the entire year of 1960 should the Olympic games be awarded to us.

Detroit business leaders are confident that Detroit and nearby communities in Michigan could master the enormous problems involved in such an undertaking.

It has been estimated that staging of the games would cost \$12 million. This would be spent for housing and other special facilities needed for the thousands of athletes and guests who would participate in the Olympics.

Detroit is fortunate in having at hand adequate stadia and athletic plants required for the Olympics. In nearby Ann Arbor, home of the University of Michigan, there is a stadium which seats nearly 100,000 people. Detroit and Ann Arbor are linked by modern divided expressway highways.

In addition within the city of Detroit there are the great athletic facilities of the University of Detroit, which only recently completed a new \$5 million field house and Olympia stadium, an indoor arena of suitable size.

Detroit is blessed with great natural advantages, being situated on the Detroit River, the busiest waterway in the world, and closely adjacent to Lakes Erie, St. Clair, and Huron, three of the Great Lakes.

Then, too, Detroit has excellent transportation advantages, being linked with the rest of America and the world by the great airlines, railroads, and highways.

Detroit has two modern airports and plans are in the making for a third major airport, servicing national and international flights. Detroit is served by five of America's great railroads—New York Central, Baltimore & Ohio, Pennsylvania, Wabash, and Chesapeake & Ohio—and has a direct link by rail with Canada, our good neighbor to the north and one of the world's great countries. Windsor, Ontario, Canada, is only a 5-minute car ride by way of bridge and tunnel across the Detroit River.

Detroit, too, is linked with the world by seaplanes. Detroit is fast becoming one of the world's busiest ports and the development of the St. Lawrence seaway will add to the city's growth.

In every respect Detroit more than meets the needs of this country in staging a successful Olympiad.

There is even a greater resource not yet mentioned. That is the planning knowhow of our great industrial and community leaders. These are the men and women who mobilized industry to meet this country's needs in World War II and since. These are leaders of vision

and ability, people from whom great things can be expected at any time.

Detroit can quite properly boast of an enthusiastic citizenry to back up its leaders. As has been proved dramatically in the past, Detroit can get big jobs done.

But because the benefits of playing host to the 1960 Olympic games go beyond the borders of any city or State, I would suggest to my colleagues in the Congress that staging these games should be a national responsibility.

In the past the host city has been solely responsible for holding the international games in this country. The most recent example was Los Angeles, which successfully handled the games in 1932, the last time the games were held in this country.

In view of the international aspect of the Olympic games and the fact that benefits would accrue to the entire country, I most seriously suggest that the Congress consider sharing the financial costs involved with the city of Detroit, should the games be awarded to this country. No other country places the entire financial burden on the host city.

This is a matter to which we can give more serious attention at a later date, but basic planning must be begun as soon as the International Olympic Committee makes a favorable decision on the invitation of this Nation.

At any rate this resolution deserves the unqualified support of each Member of the House. There is no partisan flavor to this resolution. It is a challenge to the pride of America and the Congress should go on record in support of this country's Olympic Association in endorsing the city of Detroit as host for the 1960 Olympic games.

The resolution was agreed to, and a motion to reconsider was laid on the table.

THE LATE HONORABLE RUSH DEW HOLT

The SPEAKER. The Chair recognizes the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Speaker, the untimely passing of Rush D. Holt, a former United States Senator from Weston, W. Va., at the Federal Research Clinic, at Bethesda, on Tuesday, reminds us again of the uncertainty of life and the certainty of death.

Rush Dew Holt was born June 19, 1905, at Weston, W. Va. He was elected to the United States Senate in the year 1934 at the age of 29 years, and served 1 term. He has been a member of the West Virginia House of Delegates for many years, both prior and subsequent to his service in the United States Senate, having first been elected at the age of 25 years.

The former schoolteacher was still 6 months short of the required 30 years in November 1934 and did not take his Senate seat until June 19, 1935.

Age had always been a thorn in the side of the "boy wonder." He graduated from high school in his native Weston at 14. He was turned down at

the University of Cincinnati as too young. Instead, he went to small Salem College, West Virginia. He later received degrees from LaSalle University and West Virginia University. Before entering politics seriously, Mr. Holt served as a teacher or instructor at Bedford (Va.) High School, Salem College, and Glenville (W. Va.) State Teachers College. He married the former Helen Froelich, of Gridley, Ind., a teacher at the old National Park College, Forest Glen, Md., in June 1941. They had two children, a daughter Helen, and a son, Rush, Jr.

Rush Dew Holt was the son of Dr. Matthew Holt, a Weston physician and editor. His mother was the former Mrs. Lele Dew. Mr. Holt was an able, conscientious young man and citizen. He had deep convictions with respect to what he believed to be right and wrong. He stuck with those convictions and did not hesitate to express his views.

The passing of Mr. Holt was not unexpected. He had been in failing health for many months and unable to qualify as a member of the House of Delegates of the West Virginia Legislature now in session.

To his grieving wife and family, I extend my sincere and heartfelt sympathy. May our God who looks over the destinies of us all give them strength and courage to bear their sorrow.

A CAFETERIA AND A DINING ROOM FOR HOUSE LEGISLATIVE EMPLOYEES AND FOR THE REPRESENTATIVES IN CONGRESS

(Mr. HOFFMAN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOFFMAN of Michigan. Mr. Speaker, while I know of no one who is opposed to the project which would provide an adequate and comfortable eating place for legislative employees of the House, who number more than 1,500, and Members of Congress, who number 435, previous attempts to provide those adequate facilities bogged down.

Permit me to suggest that legislative employees and Members of the House write the Speaker and the minority leader, telling why she or he favors this move.

The only reason for this suggestion is that I personally know of no one opposed to it, but we know that the assistance of the Speaker and the minority leader will give us what we all want before the House adjourns late this summer or early next fall.

The recent message from the President of the United States among other things stated in reference to health insurance the following:

To the Congress of the United States:

Because the strength of our Nation is in its people, their good health is a proper national concern; healthy Americans live more rewarding, more productive and happier lives. Fortunately, the Nation continues its advance in bettering the health of all its people.

CALENDAR WEDNESDAY BUSINESS DISPENSED WITH

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ADJOURNMENT UNTIL MONDAY NEXT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. ALLEN of Illinois. Mr. Speaker, reserving the right to object, I do this solely for the purpose of inquiring what the program for next week will be. I think the Members would like to know.

Mr. McCORMACK. I am very happy that my friend from Illinois made the inquiry.

There is no business on Monday or Tuesday.

Wednesday we will consider H. R. 3828, the pay-raise bill for judges, some of the officials of the Department of Justice, and the Members of Congress.

Thursday and Friday, if a rule is reported out, which I expect, H. R. 1, the extension of the Reciprocal Trade Agreements Act, will come up.

Mr. ALLEN of Illinois. Will the soldier-ballot bill come up?

Mr. McCORMACK. No. That matter is before the Committee on Rules, and I understand, as the result of hearings, further consideration of one of the titles of the bill is going to be given by the Committee on House Administration. It may be that we can bring it up if the matter is adjusted, but I cannot announce it in the program at this particular time.

Mr. ALLEN of Illinois. I thank the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

(Mr. McCORMACK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCORMACK. Mr. Speaker, on January 31, I introduced a bill, H. R. 3322, that is of deep interest to every Member of this body. This bill would amend the Federal Property and Administrative Services Act of 1949 and make clear beyond any doubt what the Congress meant when it said in 1949 and 1950 that surplus property, both real and personal, no longer needed by the Federal Government and which is needed and useful for educational and health purposes may be donated for such purposes.

Since introducing this bill I have received many calls from Members of this body, indicating very clearly that they have just as deep an interest in this matter as I.

Because of the expressed approval and deep interest that has been shown, I have found it desirable to schedule hearings before the Subcommittee on Donable Property of the Committee on Government Operations beginning next Tuesday, February 15, in room 1301, New House Office Building at 10 a. m. I hope that all members will make note of this time and place and be present either on this day or the next following days.

I am pleased to announce that Senator McCLELLAN and 21 cosponsors have introduced an identical bill in the Senate—Senate bill 1004—and Senator McCLELLAN made an excellent statement in the RECORD of February 7 concerning this matter.

Mr. Speaker, I regret that it is again necessary to hold hearings, issue reports and enact legislation on this subject. I thought that the Congress after a thorough investigation of the matter in 1949 had clearly expressed itself in Public Law 152, and reiterated its directions in Public Law 754 on September 5, 1950.

The fact is, however, that the Department of Defense has in recent months established its own regulations and requirements in such a manner, that the intent of the laws passed by Congress have been brushed aside, and as a consequence, the donation program is in very great danger.

In a similar and related situation, the gentleman from Missouri [Mr. CURTIS] has epitomized the matter in words that compel my admiration and exactly reflect my views.

In a letter to the Secretary of Defense, dated January 19, this year, Congressman CURTIS stated:

In my opinion this is directly contrary to the laws by the Congress in words and certainly in intent. It is directly contrary to the statement of policy as expressed by the President from time to time. In my judgment this is one more instance where the Congress in proper fulfillment of its constitutional authority has written laws and the Military Establishment has sought to subvert these laws.

The important fact is that the Comptroller of the Department of Defense has issued a recent regulation based on a permissive law dealing with a related subject. As a result, large inventories of military property have been capitalized into stock funds which, by Department of Defense interpretation, means that such property, though useful and needed for education and health purposes, is no longer eligible for donation.

Instead, property of great public usefulness, is being sold in quantities all over the country at a very small return to the Government.

We all know of the dire needs in the fields of education and public health. I submit that by donating Federal property of no further Federal usefulness to these suffering institutions, we are making the most beneficial disposition of Government property.

As Members of the Congress, we are called upon to make contributions of our

surplus food and property to foreign countries. We find it to be in our enlightened self-interest to do so. What about enlightened self-interest at home? What about our own institutions that need assistance?

May I paraphrase a well-known axiom, "giving begins at home."

May I also point out that the total donations for educational and health use from the surplus disposal program, is a small fraction of the total now being sold on the American market.

Since the donation program started, hundreds of schools and hospitals have received help. Many have found that even small amounts of surplus Federal property to be a godsend in carrying them over the long emergency period which may yet last a generation. Over and over again they have testified that without this property, it would have been difficult if not impossible to have coped with the swollen school enrollments and hospital loads.

If the Federal Government sells something that cost a dollar and only gets a few pennies return, and if this same property is really useful and needed by our schools and hospitals, I say give it to them for nothing.

It is only common sense to do so, and thereby lighten the load for which we as Members of Congress have at least some responsibility. This was our intent when the Congress passed Public Laws 152 in 1949 and Public Law 754 in 1950. Now we find that the Department of Defense, from which 85 percent of the surpluses come, is making ineffective the wishes of Congress, is bypassing these laws, because it chooses to do so.

It is claimed by the Department of Defense that the donation program is obtaining increasing amounts of property. This is misleading. The truth is that the disposal program in the military agencies has been enormously accelerated but the dollar value going to educational and health purposes while increasing slightly in some States, does not tell the story of the percentage-wise reduction. Much surplus property of great value for school and hospital use is not being offered for such purposes but is being sold to the highest bidder.

It is most important that immediate action be taken on this bill, which will reaffirm what Congress wants done with this surplus property, because more large sales are scheduled for the near future.

Under the Constitution, Congress has the sole right and obligation to control the sale of all Government-owned property. The passage of this act will indicate in no uncertain terms what the Congress wants done.

The taxes that American citizens paid to the Federal Government bought this property, the public owns it, not Federal agencies, and all this bill will do is to see that the public utilizes for good purposes what it already owns.

WHEAT MARKETING QUOTA PROVISIONS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 145) to

amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. ALBERT]?

Mr. ALLEN of Illinois. Reserving the right to object, Mr. Speaker, I should like to yield to the ranking member of the Committee on Agriculture [Mr. HOPE], for a statement on the bill.

Mr. HOPE. Mr. Speaker, this bill passed the Senate unanimously, and was reported unanimously by the House Committee on Agriculture. It is a departmental bill, submitted by the Department of Agriculture, and deals with a very critical situation with respect to the production of durum wheat. It must be passed this week if we are going to get full advantage of it, because it must be explained to producers, and they must become familiar with it prior to seeding time which begins soon after the first of March.

The purpose of the legislation is to encourage the production of durum or macaroni wheat which is in very short supply due to the ravages of a new type of stem rust known as race 15B.

Under this legislation farmers will be permitted to seed, harvest, and sell durum wheat over and above their regular wheat allotments. The bill applies only to the 1955 crop and is limited to the States of North and South Dakota, Minnesota, and Montana.

I know of no opposition to the measure and urge its prompt passage at this time.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (e) of section 334 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1334 (e)), is amended, beginning with the 1955 crop of wheat, to read as follows:

"(e) Notwithstanding any other provision of this act, the Secretary shall increase the farm marketing quotas and acreage allotments for the 1955 crop of wheat for farms located in counties in the States of Minnesota, Montana, North Dakota, and South Dakota designated by the Secretary as counties which (1) are capable of producing class II durum wheat and (2) have produced such wheat for commercial food products during 1 or more of the 10 years 1945 through 1954: *Provided*, That the increase in the wheat acreage allotment for any farm shall not exceed the difference between the acreage of cropland on the farm suitable for the production of wheat and the wheat acreage allotment, if any, determined without regard to this subsection, and the increase in allotment shall be conditioned upon the production thereon of class II durum wheat. The increase in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and the acreage of class II durum wheat thereon shall not be considered in establishing future State, county, and farm acreage allotments."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD immediately preceding the vote on the bill S. 145.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

USE OF OFFSHORE OIL REVENUES FOR SCHOOL CONSTRUCTION

(Mr. FOGARTY asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. FOGARTY. Mr. Speaker, during the recent hearings before the Senate Committee on Labor and Public Welfare, considering legislation to provide Federal assistance for a program of school construction, I was deeply impressed by a circumstance most unusual in my experience in Congress. Not one person appeared to speak in opposition to a program of school construction financed in part by the Federal Government. To the best of my knowledge no person or organization sought an opportunity to express opposition. It can, therefore, be taken for granted that there is uniform acknowledgment of the fact that there is a drastic situation which must be faced up to by all Americans. A solution to our overcrowded and understaffed schoolrooms must be found immediately if we are going to continue to afford ourselves the luxury of being proud that we are Americans.

During the hearings on the Senate side, and in discussions I have had with Senators and Members of the House, it seems to me the only area of concern now is the amount of money to be taken from the Federal Treasury and the method to be applied in apportioning this sum among the several States in order to accomplish the maximum good.

I am not too much worried about a formula, though I am concerned. I do not want the wornout concepts of "wealthy States" and "poorer States" employed. I want to see the Federal Government apply its resources in the areas where there is the greatest need and at the same time I want the law to spell out clearly that the State which is the recipient of these Federal funds must be able to demonstrate that it is exhausting its best efforts to meet the school problem. I have no doubt the Congress can and will work out a formula which will be satisfactory—and will accomplish the real purpose of this legislation.

I am introducing a bill which is directed squarely at the problem of obtaining the funds to be divided among the States. I think all of us acknowledge that States with substantial revenue resources must not complain about helping a sister State with substantially less resources. I think we all acknowledge, also, that the development of the Federal establishment has preempted a substantial area of revenue raising—thus, in a sense, depriving individual States of funds which could be put to good use, within their own borders.

Having this in mind, I propose that resources which are the property of all the United States be earmarked for the support of this school-construction program which is properly the problem of all the United States.

Here is a problem which, as I say, is acknowledged by everyone and apparently is opposed by no one. Here are resources which in my opinion belong to everyone in the country. These resources should not be permitted to fatten the coffers of a few States, who will be looking for their share of a Federal-aid-to-education program. Permitting the income from this valuable area to go solely to the bordering States puts all other States at a distinct disadvantage and subjects them to an improper penalty every time taxes are collected to support a Federal program intended to benefit all the States.

This proposal, I know, has the enthusiastic support of several Senators and Members of the House. It seems to me it affords a painless method for solving a very painful problem.

Joint resolution to subject the submerged lands under the marginal seas to the provisions of the Outer Continental Shelf Lands Act, and to amend such act in order to provide that revenues under its provisions shall be used as grants-in-aid of primary, secondary, and higher education

Whereas as a result of the per curiam opinion of the Supreme Court of the United States of March 15, 1954, it is clear that the United States acquired in a proprietary as well as sovereign capacity the submerged lands beyond the ordinary low-water mark extending seaward from the coasts of the United States and outside of the inland waters (hereinafter referred to as "the submerged lands under the marginal seas"); and

Whereas section 5 of the Submerged Lands Act provides that there is excepted from the operation of section 3 thereof "all lands acquired by the United States by eminent domain proceedings, purchase, cession, gift, or otherwise in a proprietary capacity," and in consequence of this exception, the provisions of section 3 of that act are inapplicable to the submerged lands under the marginal seas: Now, therefore, be it

Resolved, etc., That this joint resolution may be cited as the "Submerged Lands Under the Marginal Seas Act."

SEC. 2. The provisions of the Outer Continental Shelf Lands Act are hereby made applicable to the submerged lands under the marginal seas as if such lands were a part of the outer Continental Shelf, as defined in such act, any provision in the Submerged Lands Acts to the contrary notwithstanding, and any provisions in the Submerged Lands Act to the contrary are hereby repealed.

SEC. 3. The Outer Continental Shelf Lands Act is amended by deleting section 9 and inserting in lieu thereof the following:

"SEC. 9. Disposition of revenues: (a) All rentals, royalties, and other sums paid to the Secretary or the Secretary of the Navy under any lease on the outer Continental Shelf for the period from June 5, 1950, to date, and thereafter, shall be deposited in the Treasury of the United States and held in a special account and, except for the payment of refunds under the provisions of section 10 of this act, such moneys shall be appropriated exclusively for the purpose of promoting the national defense and national security through grants-in-aid of primary, secondary, and higher education.

"(b) An Advisory Council on Education for National Security is hereby created to be

composed of 12 persons to be appointed by the President of the United States with regard to their experience in the relationship of education to national defense and national security, of whom 6 shall be from the fields of education, and research in the natural and social sciences. It shall be the function of such Council to recommend to the President of the United States for submission to the Congress not later than January 1, 1956, a plan for the allocation of the grants-in-aid of primary, secondary, and higher education provided in paragraph (a) of this section in such manner as will contribute most effectively to meeting the immediate and long-range requirements of education as it relates to national defense and national security."

FEDERAL ASSISTANCE IN CONSTRUCTION OF CLASSROOM FACILITIES

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. BAILEY] is recognized for 20 minutes.

Mr. BAILEY. Mr. Speaker, now that President Eisenhower has made known his position on legislation to meet the nationwide demand for Federal assistance in meeting the shortage of classroom facilities in our primary and secondary schools, I am sure my colleagues would be pleased to know some of the reactions to his proposal from school officials, parent-teacher groups, and the Nation's press.

The Washington Post and Times Herald refers to his proposal editorially as "half a loaf" and makes the point that it is as futile as applying a poultice to cancer. The editorial goes on to say as follows:

This recognition is a significant step forward and renders a most valuable service to the Nation. But the remedy proposed by the President seems to us hesitant, temporizing, and inadequate.

Mr. Eisenhower's hesitation grows out of a fundamental misapprehension. He fears that Federal aid to State public-school systems may introduce an element of national interference in local activities which ought to be kept resolutely independent. But the fear is an unreal one. The proposals for Federal aid put forward by the appropriate committees of the House and the Senate obviate any danger of Federal control. They offer financial assistance from the Nation because the problem is a national one and because the States lack the resources to meet it; but they carefully preserve local responsibility and local independence.

Instead of a program of direct and simple financial aid to the States, Mr. Eisenhower has proposed a complicated system under which the States and the Federal Government cooperatively would purchase school bonds issued by local communities. He acknowledges, however, that restrictive debt limits forbid many school districts to borrow in this fashion and that in many others the amount of taxable property and local income is so low as to make it impossible for the district either to repay borrowed money or rent a satisfactory school building. To the impoverished districts he would make Federal grants in conjunction with the States—thus breaching, so far as they are concerned, the wall he had previously erected against Federal intervention. If direct Federal aid will not imperil the independence of communities unable to borrow, it will not imperil the independence of more solvent communities.

We think the President has balked at a bugbear. The condition of the schools as he has pictured it constitutes a national crisis. Congress now has before it carefully considered bills which will meet this crisis more quickly, more generously, and more effectively than the President's plan. We hope it will enact one of them soon.

The Washington Post in today's edition comments editorially on the President's remarks at his news conference yesterday. The editorial under the caption "False Economy on Schools" is as follows:

Judging from his news conference comments yesterday morning, President Eisenhower feels strongly that the main burden of revitalizing the Nation's public schools ought to be borne by State governments and local public school districts. He would confine the Federal contribution, except in the case of genuinely indigent communities, to a kind of pump priming. Indeed, of the \$7 billion of expenditure for school construction recommended in his program, only \$1,120,000,000 would come from the Federal Treasury.

A part of the President's preference for this limited Federal participation stems apparently from a desire for economy. Most of the Federal outlay—\$900 million earmarked for loans to State agencies—would be repaid in time, and with interest. But this is an economy only in a bookkeeping sense, and only from the Federal point of view. Whether schools are built out of Federal funds, State funds, or local funds, American taxpayers are going to have to foot the bill. Because the Federal Government takes, in a sense, the first bite, and the largest bite, out of the taxpayer's income, and because State and local sources of tax revenue are narrowly limited, we think that the emergency burden in school construction ought to be shouldered by the Federal Treasury.

In his message to Congress Mr. Eisenhower noted with approval that "capital outlays for public-school construction will reach an all-time high of \$2 billion this year." This entire load is being carried by the States and localities. It comes very close to the emergency expenditure which the President has recommended—\$7 billion over the next 3 years. Thus the President is proposing to double the State and local load. The trouble is that the States and localities are already staggering under the load they carry now.

The President's program looks oblique, cumbersome, and inefficient as compared with a program of direct Federal grants-in-aid to the States on a matching basis. The latter program, as approved unanimously by the House Committee on Education and Labor, would apply national resources candidly and generously to the solution of a national problem. That seems both sound economy and sound public policy.

The press today gives the reaction of the school officials in the areas of Virginia and Maryland, adjacent to the Nation's capital:

Nearby Maryland and Virginia school heads expressed keen interest yesterday in President Eisenhower's proposal for direct Federal-State emergency school construction aid—but to a man were unable to see how their respective systems could avail themselves of its principal benefits.

Their reactions were:

MONTGOMERY COUNTY

School Superintendent Forbes H. Norris termed President Eisenhower's education message to Congress Tuesday not too hopeful for schools in his jurisdiction.

He said present school borrowing is far below the county's 10-percent debt limit and that no lack of local income could be demonstrated to qualify for outright grants.

He added that interest on county school bonds is not excessive and therefore the school system would not need to sell bonds directly to the Federal Government.

Norris estimated that 130 elementary-school rooms and 70 high-school classrooms will be needed next year. He said that the school board will request funds to meet the deficit in its 1955-1956 budget.

PRINCE GEORGES COUNTY

Assistant Superintendent Thomas S. Gwynn said the President's program would be studied to determine if the county could benefit from any of its provisions.

Gwynn pointed out that although Prince Georges County has been forced to borrow some \$26,700,000 for new school construction in the past 10 years, the interest rate has remained at a comparatively low figure. He said the last school construction bonds were sold at an interest rate of about 2.7 percent.

The county has at present authority from the State legislature to issue up to \$5 million in bonds for new school construction. Gwynn said that the school board plans to ask the county commissioners to issue those bonds in June or July.

He pointed out that Prince Georges has received Federal funds under Public Law 815, enacted to assist local communities whose school populations had been affected by Federal activity.

About \$4,600,000 has either been received or appropriated to Prince Georges County under this law.

FAIRFAX COUNTY

School officials said this area would not be affected by the President's proposed \$7 billion program.

They said the county has spent about \$29 million dollars since 1950 on school construction and will need another \$3 to \$4 million a year to carry them through 1960.

George Pope, administrative assistant to the superintendent, said that by February 1956 when the current construction program will be completed the county will have a sufficient number of classrooms.

ALEXANDRIA

Superintendent T. C. Williams said about 30 classrooms costing about \$400,000 are needed immediately in the city. He said the money can be obtained through a bond issue since the city has not reached its debt limit.

During the past 5 years the city has spent about \$5 million on school construction. Williams said he did not think Alexandria would be eligible for any of the proposed new Federal funds.

ARLINGTON COUNTY

Superintendent of Schools T. Edward Rutter expressed disappointment in the program.

Rutter praised the program for the aid it will give some areas, but said Arlington will not benefit.

Arlington County will require a total of \$10 million by 1960 for additional school construction, Rutter said. During the past 5 years the county has borrowed \$20 million to support the school system. Additional money could be borrowed, if the voters approved, since there is no legal debt limit for Virginia counties, but Rutter said there is a practical limit above which county credit would be impaired.

However, an annual increase in school enrollment of 3,000 to 4,000 children will require another \$20 million construction program during the next 5 years. The county has no debt limit and has been able to sell school bonds well under the President's proposed interest limit.

FALLS CHURCH

Superintendent Irvin H. Schmitt said he feels the Eisenhower program will not be adequate to take care of the country's school needs. He pointed out that Falls Church will receive no benefit.

Public Law 8 - 84th Congress

Chapter 8 - 1st Session

S. 145

AN ACT

All 69 Stat. 9.

To amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (e) of section 334 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1334 (e)), is amended, beginning with the 1955 crop of wheat, to read as follows:

Durum wheat.
Allotments.
68 Stat. 6.

“(e) Notwithstanding any other provision of this Act, the Secretary shall increase the farm marketing quotas and acreage allotments for the 1955 crop of wheat for farms located in counties in the States of Minnesota, Montana, North Dakota, and South Dakota designated by the Secretary as counties which (1) are capable of producing class II durum wheat and (2) have produced such wheat for commercial food products during one or more of the ten years 1945 through 1954: *Provided*, That the increase in the wheat acreage allotment for any farm shall not exceed the difference between the acreage of cropland on the farm suitable for the production of wheat and the wheat acreage allotment, if any, determined without regard to this subsection, and the increase in allotment shall be conditioned upon the production thereon of class II durum wheat. The increase in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and the acreage of class II durum wheat thereon shall not be considered in establishing future State, county, and farm acreage allotments.”

Approved February 19, 1955.

